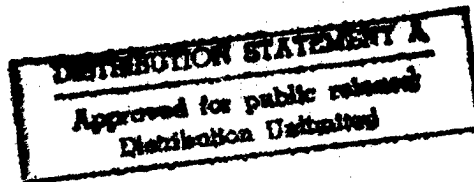


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4 April 1985



# Near East/South Asia Report

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4 April 1985

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REGIONAL AFFAIRS

GULF COUNTRIES FACE RENEWED WAR THREAT

London AL-DUSTUR in Arabic 14 Jan 85 pp 20-21

[Article by Ayman Khatir: "Gulf Countries Face Threat of War"]

[Text] Between Iran's threats that it will go on fighting and the renewed attacks on tankers, sharp turning points are re-emerging in the development of this war which is now in its fifth year. So far this war has created regional and international complications that are extremely grave.

With such a stormy development in events, the possibility that Gulf countries might become directly involved in the struggle became imminent as the terrain for military conflict was expanded, as Iran made blatant threats that it would strike and destroy the Gulf countries' oil and economic establishments and as new suggestions were being made about the possibility of shutting down the Straits of Hormuz. The Gulf countries' direct involvement in the war could upset all balances and considerations. Not only would such involvement upset the balances in the course of the conflict, but it would also upset the critical balances that used to govern conditions in the region. These conditions were based on the fact that these Gulf countries would remain outside any direct armed conflict.

It became obvious recently that Iran might launch a new land attack. Gulf countries then promptly conducted urgent communications with each other to contain the possibility of an all-out confrontation between Iraq and Iran.

Iraqis are saying that all vital targets inside Iran will be destroyed if Iran launches a new attack on any sector of the front.

This development makes it obvious that Iran's military power is in no position to enable it to decide the battle. Furthermore, the Iraqis realize--and they are right--that the condition of Iran's present military power would not allow Iran to continue implementing its offensive strategy indefinitely. Iran lacks the necessary and adequate armored forces that can penetrate Iraq's [defenses] and make real advances inside Iraqi territory. Furthermore, Iran does have an obvious shortage in personnel carriers and armored vehicles that can transport soldiers to the battlefields.

Although Iran too does understand to a large extent the particulars of Iraq's war strategy, and although it is aware of the truth about the balance of power that would not allow either one of the parties at the present time to decide the conflict in its favor, Iran has found itself facing more than one difficult choice. Iran has found itself in this situation because of its blind insistence on continuing the war regardless of the consequences.

Iran found itself compelled to commit the folly of bombing tankers even though it realizes that Arab and international reactions to that would not be in its favor. Iran is bombing tankers to find a way out of the dead end road it finds itself in. Iran realizes that its repeated military attacks on Iraqi territory have been an abysmal failure. Consequently, its conditions for ending the war, which are based principally on overthrowing Saddam Husayn's regime and holding Iraq responsible for war damages, are tantamount to fantasies.

Iran has also realized that the efforts it made through some Arab countries sympathetic with its cause to induce Gulf countries to stop their support for Iraq were futile. In fact, news has been leaked to Tehran about the fact that these efforts have backfired and that a reconciliation between Iraq and Syria is being effected whereby Syria would be pulled away from Iran and brought back within the Arab rank. Syria would then be asked to support Iraq or at least to stop its support for Iran.

Iran has also begun to have a sense of the danger that Iraq continues to pose to Kharj Island from which Iran ships its oil. This threat is making it quite impossible for Iran to export 2 million barrels of oil a day with an annual value of about 17 billion dollars.

Observers here are linking the resumption of the war against tankers and Iraq's determination to continue hitting naval targets and impeding oil export operations from Kharj Island with the resumption of Iran's threats that it will launch a new attack on the middle sector [of the front]. Observers think that Iran, whose inability to stop or curb Iraq's repeated raids on ships and tankers in the area of operations in the Arabian Gulf is obvious, has amassed its forces in the southern sector to make up for its weakness in confronting Iraq's air force.

Diplomatic sources in the Gulf are saying that Iraq's recent attacks on the Kharj Island area have come in the aftermath of the arrival of new shipments of French weapons to Baghdad. These attacks also followed Iran's attempts to increase its oil exports from its principal port of export, which is Kharj Island.

These sources stated that Iraq received 12 Mirage F-1C airplanes and a large number of Exocet missiles. This is in addition to the eight missiles that are actually sent to Iraq every month.

Although the situation on the oil front is becoming more violent, all assessments of the situation ultimately concur that the decisive battle will be fought on land. Military observers expect there will be a serious and bloody escalation on the front, which extends all along the borders between the two countries. Observers expect battles to flare up any time from now on. But will the Gulf countries be able to stay out of the direct fire in this conflict? Actually, the



governments of Gulf countries have been engaged in continuous efforts throughout the past 51 months to stop the war and guard against that day when the effects of war would spill over into their countries.

It is the Gulf countries' point of view that recent developments are now reflecting a sense that Iran is not only determined to provoke the hostility of Gulf countries and expand the scope of the war, but it also wants the Gulf countries to pay for Iran's impotence.

Therefore, Gulf countries are finding themselves now in an unenviable position.

First, they are facing an actual threat to their sovereignty and security, and they are also facing a similar threat to their oil exports.

And second, they are facing the danger of being dragged into this war whose scope is beginning to widen.

Third, the Gulf countries realize the possible consequences of Iran's escalating hostilities. They realize that the superpowers may intervene to protect the sources of their oil.

Therefore, most observers agree that the key to change in the situation in the Gulf lies in Iraq's hands. An escalation of the confrontation is possible any day, but it is certain that the confrontation will be escalated if the Iranian regime launches its expected offensive. All of Iran will then be at the mercy of Iraq's air force.

8592

CSO: 4404/211

REGIONAL AFFAIRS

GULF COUNTRIES HAVE MIXED PROSPECTS FOR 1985

London AL-HAWADITH in Arabic 18 Jan 85 pp 52-53

[Article: "Favorable Prospects for the Gulf in the New Year"]

[Text] Economists who have analyzed economic conditions in the Gulf countries concur that the unfavorable conditions of 1984 will continue in 1985 in the form of a continued slowdown in levels of economic growth.

The most prominent unfavorable conditions that are likely to continue are:

--The Gulf countries' oil returns will continue to decline.

--The Gulf war will continue, and that will affect the economy and trade of countries in the region.

--The crisis of al-Manakh Market will continue to have repercussions despite recent Kuwaiti measures to reorganize the money market.

--The level of public spending in the Gulf countries is declining or is being maintained at 1984 levels, which would mean an actual decline in the actual value of those spending levels.

--Gulf capital continues to flow abroad.

The most prominent positive indication for 1985 prospects is the possibility that Gulf countries' returns from their exports of petrochemicals, fertilizers and refined products will rise. That could reduce the deficit in the balance of trade for countries of the Gulf Cooperation Council. An increase in these exports could reduce the deficit in the balance of trade from 3.3 to 2.4 billion dollars.

The Gulf countries' economic performance in 1984 showed the inability of these economies to achieve liberalization. Although there was a modest increase of 4.5 percent in the GNP, not including oil, that increase was the smallest increase in the GNP since the early eighties, and its effect was minimal on the total GNP which declined by three percent.

The fact that Gulf countries reduced their level of public spending, on the one hand, and the strong dollar, on the other, helped reduce the deficit in the balance of these countries' current accounts. However, that did not prevent the countries of the Gulf Cooperation Council from withdrawing funds from their foreign accounts, which are estimated at about 200 billion dollars. These funds were withdrawn to cover part of the deficit in their budgets.

The construction and banking sectors are expected to be affected most by the continued slowdown in the economy.

Analysts do not expect any improvement to speak of in prospects for real estate and construction in 1985, compared with 1984. In fact, they all agree that real estate prices will continue to fall in the countries of the Gulf Cooperation Council and that that will coincide with the reduction in public spending for construction projects. These expectations are reinforced by the declining demand for housing after large numbers of foreign workers left the Gulf countries. In 1984 it was estimated that the number of foreign workers who left the Gulf area was about 700,000. That figure is expected to rise to 1 million in 1985. However, the industrialization policy and the construction of airports will create new employment opportunities for foreign and local contracting companies.

The banking sector was affected by a local decline in liquid funds in the region. That was the result of a decline in local economic activities and an increase in the flow of Gulf capital abroad. Monetary authorities are trying to correct this trend by raising local interest rates and adopting more realistic policies toward currency issues and foreign currency.

The fact that the completion of infrastructure projects coincided with the decline in the Gulf countries' oil exports worked together to prolong the slowdown period for the economies of these Gulf countries. This situation is likely to continue in 1985, particularly since 1985 budgets for these countries have reduced their emphasis on local spending.

Although the present picture for the future of the economy in Gulf countries in 1985 is grim, there are some favorable prospects. The most prominent of these, as we've already mentioned, is the expectation that exports of petrochemicals, fertilizers and refined oil products will continue to rise. The private sector's contribution to the GNP in Gulf countries is expected to rise from 40 percent in 1984 to over 55 percent in 1985. Finally, the Gulf countries are beginning to adjust to the economic conditions generated by the slowdown period that followed the oil boom. That became evident with the diversification of the economic structure of the countries of the region.

8592

CSO: 4404/211

ARMENIAN AFFAIRS

TURKISH RESENTMENT AGAINST EUROPEAN PARLIAMENT INTERPRETED

Tehran ALIK in Armenian 24 Jan 85 p 2

[Text] The attitude of European states towards Turkey during the last few years has been considered negative by Ankara. The clear signs of unwillingness are attributed to two causes. First, the activities of the liberals, the socialists and communists in Europe are much better organized than the conservatives, and secondly is the fact that "Europe is incapable of appreciating Turkey's importance to the West."

Mehmet Ali Birant, chief correspondent of MILLIYET, points out that countries like England and Germany which are conservative do not have the power to impose their views on paneuropean matters while countries that show a certain reserve towards Turkey are far more dynamic. A typical case is the position of the Council of Europe in the Turkish-Greek dispute. According to the Turkish correspondent, the attitude shown towards Greece is more positive because the Western Alliance does not want to lose Greece's cooperation and is fearful that Papandreou might throw himself into somebody else's arms....

Attributing European unfriendliness towards Turkey to annoyance at the latter's record in the area of human rights, the correspondent points out that it is improper to sacrifice Turkish-European relations for the sake of reservations of this nature, and he concludes that a large part of Europe does not realize the importance of Turkey's friendship and cooperation.

The Turkish press, however, considers as far more "ridiculous" the initiative taken by the French Socialist Government "to place the issue of Turkish genocide on the agenda of the European Parliament in order to make it a subject of official recognition so that a corresponding resolution may be formulated."

Not only MILLIYET and HURRIET but also all the papers are surprised that the socialist groups in the Parliament are making a special effort "to stab Turkey in the back." In particular, the French and Belgian socialists are doing all they can to assure the agreement of the member states around a "formula confirming the recognition of the Turkish genocide." The real purpose is to prepare the ground "for a political solution."

The indifference and often the expressions of mockery shown in this regard by Turkish official circles and the press surely do not reflect the picture of the prevailing mood.

The stance taken by European nations and particularly the French socialists with respect to the rightful Armenian demands is doubtless a positive fact and may lead to positive consequences by condemning to failure the persistent efforts of the murderer to annul the 1915 Genocide. In fact it may serve to confirm once again, a proven reality. It may even, after examination, pave the way for the establishment of a right to compensation. It is premature, however, to entertain any optimism about that, as it may have its immediate reaction on the efforts to elaborate a proposal for a "political solution."

Keeping in mind this point, not only are the Armenian people following with general satisfaction the propaganda and the political activity that is being resolutely carried out by the "Franco-Armenian cooperation," but it expects that the struggle waged in the entire world against Turkish denial will not lose its momentum.

The criminal is spending millions to escape being declared indebted and to cast doubt on the truth. We do not as yet have sufficient material resources for the pursuit of our cause and hence we need sincere friends more than ever. It is necessary to stress once again that we have to rely on our own strength, on our determination and capabilities.

12364

CSO: 4605/115

EGYPT

JALAL KISHK PRESENTS CONCEPT OF WESTERN CHRISTIAN CONFRONTATION

Riyadh AL-YAMAMAH in Arabic No 829, 21 Nov 84 pp 42-46

[Interview with Jalal Kishk by Da'ud al-Shiryan: "Al-Talmasani Has Been Bypassed by the Islamic Movement"; date and place of interview not given]

[Text] There were a thousand question marks, as well as a like number of exclamation points, in my mind as I was on my way to meet with Dr Kishk. Both those who love his writings as well as his adversaries testify to the man's greatness, because he is coming up with something new all the time; new things, by their very nature, divide people up into supporters and opponents, especially if the innovation shocks basic concepts to which society has accustomed itself and which it has treated as sacred cows, rather than self-evident truths and premises. My past reading of Jalal Kishk's thought had already convinced me that I would agree with him to a great extent, but also that I would differ with him just as much. I took comfort in the knowledge that innovators and seekers of truth are not as narrow-minded as superficial people or those who are filled with ideas which have not a single touch [of originality] to them.

The starting point in the interview was the struggle between the Jews and the Muslims, or the Arab-Israeli struggle.

[Question] The Arab world has been fighting Israel for more than 36 years amidst a series of military defeats. There now seems to be an Arab trend to abandon the military option. How do you see events developing in the next 10 years: peace or war?

[Answer] Predicting the future is neither an easy nor reliable task, but it is less difficult if the period in question is just 10 years. With things as they are now, it would be impossible for you to imagine some change or other. There is no real confrontation [now]. We have gone as far as the confrontation of peace, and then we lost this also because it is all one issue. You cannot be defeated militarily and then be victorious in peace. As an Arab nation in this present situation, we have all the elements of defeat. We cannot achieve any victory in confronting Israel on the military level, on the level of peace, on the level of negotiations, or on the level of propaganda. We are going around in a vicious circle, and the reason is that we are completely split apart. Even the Palestinian

revolution, which we said was free of the germs of the Arab situation, was soon hit by the plague. We truly lack a thinker who can unite the nation. Israel is fighting us under one slogan while we are fighting it under a thousand and one slogans.

[Question] What is the idea which drives the Arab struggle vis-a-vis Israel?

[Answer] There is no specific idea, and this is the basic problem. Prior to the years 1952 to 1955 there were positions and principles; however, with the exit of British and French colonialism and the strife and oppression which befell the Arab person, we lost sight of the goal. We therefore keep coming out of one defeat only to go into another. One indication of this was that when the defeat of 1967 occurred, they said, "This was a victory because the goal [of Israel] was the fall of the revolutionary regimes; since they did not fall, we were victorious."

[Question] What idea do you think should be imposed in order to get the struggle moving against Israel?

[Answer] The basic idea is that it is a struggle of cultures. I do not say it is a struggle of religions exactly, because it is not a religious war in the narrow sense. Most religious wars take place within one religion. I believe that even the Crusades were a cultural struggle. Cultures are the basis of the struggle; still, culture is religion, and culture is ideological fashioning and personal fashioning, the values and principles which distinguish you from the others and make you a willing witness for your principles. Unless we are convinced that we are a distinct civilization in a permanent endless confrontation with Western Christian culture, then we will never have a goal.

There was a writer who went to Iran and he said that this was not Islam, but was Iranian nationalism. He failed to perceive that all the efforts of Khosrow and the shah to revive Iranian nationalism based on ancient Persian foundations were unsuccessful; Islam succeeded in reviving Iranian nationalism. We should have learned that nothing will revive Arab nationalism except Islam; there is a true struggle of nationalisms, but nothing will fire up nationalism and give it an international mission except ideology. The Arabs have nothing to fire them up and have no ideology except Islam. I would also add that the Islamic civilization about which we speak includes within it the nationalist Arab Christian because the Christian churches were basically one of the symbols of the historical cultural struggle, and Islam is what protected these ideologies. Were it not for Islam these churches would not have endured. If Rome had been victorious in the Crusades, these churches would have been wiped out.

Israel is the last of the Crusades. It is part of the West, which is hostile to Islam. If we propose this concept, we will know who is with us and who is against us.

[Question] But there is a trend among some nationalists to reject Islam. How do you see the dialogue with this tendency?

[Answer] Those who launched the anti-Islamic nationalist movement were not Arabs; they simply raised the slogan of Arabism to destroy the Islamic unity which existed at that time. When the Arab Muslims did abandon Islam and called for Arabism, then they said, "No, there is no Arabism," as you see now in the Maronite situation. The goal was to destroy the union which actually existed, that is, the Ottoman state or the Islamic concept. In order to destroy it, it was necessary to come up with a catchy slogan, so they said, "We are Arabs." The Turks, with the coming of Ataturk, said "We are Turks." It later turned out that they were all agents and spies working for the British, French and Russian embassies. Whenever Kemal Pasha hanged one of them, he would hang on the condemned person's chest the funds which were controlled by those embassies.

There are other misguided people who say, "There is no Arabism, the word Arabism is wrong; we are only Muslims." This is incorrect. Islam is the civilization. The heart of Islam, the protectors of Islam, and the first source of Islam, without which the Islamic civilization cannot thrive, however, are the Arabs.

[Question] But the Arab language in Islam is not a vein, rather it is a tongue, a language and vessel of civilization.

[Answer] I say in my book, "Islam and the Ideological Invasion," that Islam and Arabism are twins which cannot be separated and any attempt to separate them is a conspiracy to kill both of them.

[Question] How long, do you believe, will the Arabs insist on the pan-Arabization of the battle and the expulsion of Islam from it?

[Answer] Until the slogan, "pan-Arabism now," is defeated, because it is a baseless slogan. Give me just one example that the Arabs are really convinced that they are actually one nation. They have boundaries among them, they have passports among them, they have a law preventing one Arab from working in [another] Arab country. They have a law preventing an Arab from owning property in an Arab country. An Arab can purchase a house in any country in the world, except in the Arab countries. Where is Arab nationalism?

This is a rabble-rousing expression which has been used at one time or another to anesthetize the Arabs and to destroy existing unity. King 'Abd-al-'Aziz Al Sa'ud--may God have mercy on him--was the one who had real unity in his Palestinian, Syrian, Egyptian, and Libyan council. They were his advisors, and there was no talk of Arab nationalism. Show me one Arab government today which has what Ibn Sa'ud had.

[Question] What is the reason behind the Arab fervor for this nationalism which keeps out Islam.



[Answer] There are several reasons. We are 50 years behind Europe. Fifty years ago the slogan of nationalism prevailed in Europe. Our intelligentsia got it from them. Another reason is that certain quarters had an interest in destroying the Ottoman Caliphate, and so proposed this "slogan." A third reason is that it was translated to mean the unification of the Arab countries against Israel. The fourth reason is that with the development of procedures and regional laws there had to be a cover to soothe the conscience and mislead people; so the cry of nationalism was the cover.

[Question] Do you mean that the slogan of nationalism does not represent the true situation among the people?

[Answer] Yes. The Arab did not participate in the debate over his fate; if he had, he would have done things differently. The masses are the ones who fashioned Germany's unity. The German thinkers and intelligentsia were the ones who fashioned the unity of Germany, not the rulers who gave speeches over the radio. The Arab is deprived of his right to participate in the discussion of his fate.

[Question] Nothing is going on in the Arab world on the questions of Cyprus and Afghanistan. What is your view?

[Answer] The Arab world has lost the ability to respond. It shows indifference towards the Afghanistan problem, continuing the state of death which we are experiencing in Cyprus. A Muslim people is being exterminated with all the tyranny and all the hatred of the Crusaders, but no one acts. The Turkish Cypriots accepted as their president a bishop with a large cross hanging around his neck. The Greek Cypriots rejected him; they conspired against this bishop and got rid of him. The Greeks were determined to join Cyprus to Greece as a part of the Crusades, which have been going on for 1,400 years since the beginning of the struggle between Byzantium and Islam. The Greeks are the heirs of this church. Afghanistan is the same thing: an Islamic country is being annexed to the Russian empire. An Arab official was once met by a Saudi official whose goal was the formation of an Arab position to rescue Afghanistan. The Arab official replied to him, "Just consider Afghanistan as having been annexed to Turkistan and Arabistan and others. Don't waste your time, Your Highness."

[Question] Things were said about the Egyptian elections which have not been said about any other elections in the Islamic world. How do you see the matter?

[Answer] The question comes late because the elections occurred some time ago. However, I believe that you have already answered part of the question when you said that it was the most democratic election in the Islamic world.

[Question] We said, "It was said."

[Answer] Yes, and the third world does not compare to it; however, as has been said, among the blind the one-eyed man is king. If you were to compare these elections with the third world, perhaps they would be the most democratic elections; but this democracy is marred by several shortcomings. First of all, freedom of parties is not available to all Egyptians. There are basic currents which have not had the opportunity to be represented independently. The second shortcoming is that not all of the press is free. While it is true that it has used its complete freedom in debating and criticizing and can do this, the press we now have in Egypt does not express all the currents; some of it (the nationalist press) represents the ruling party. The opposition press is the opposition which is permitted or the opposition which is licensed. There are other currents; if these were represented, the elections would more democratic.

The third point is that we were hoping that a neutral government would hold the elections, because in the third world the government which runs the elections is guaranteed a very large share of the votes because of the instinctive fear and suspicions among the masses about the intentions behind the elections. I do not believe that there has been fraud in the elections, but fraud has been committed by people because it is unreasonable that the government would fall while it possessed many procedures by which it could harass the citizens. As has been said, every Egyptian violates the law, so if the government wants to punish him it could find a violation immediately. The people played it safe and voted so that they could avoid trouble from the government, because if the government wanted to, it could apply the law. From this standpoint, you could say that there were no model democratic elections. But they were certainly the most democratic elections in Egypt since 'Abd-al-Nasir appeared.

[Question] There are Nasirists who said that this is an distinct characteristic of the July revolution.

[Answer] A distinct characteristic or a isolated incident?

[Question] They say that the 23 July Revolution brought Egypt to this fine level. How do you see the matter?

[Answer] I hope that we will not return to those days again. Last October, I responded to an attempt to attribute everything to the 23 July revolution. It reached the point where they said that the October victory was based on a plan drawn up by 'Abd-al-Nasir. So I said, "This way both the Egyptians who love 'Abd-al-Nasir and those who hate him can agree that he is better dead than alive, because as long as he was alive we never saw victories; when he died he was victorious." If Nasirist democracy appears only with the departure of the Nasirists, fine. I hope that we can make sure that we can keep them far away where they will record

Nasirist victories and democracy. I hope democracy is something which has no connection with the Nasirist regime. 'Abd-al-Nasir, out of candidness and bravery, never claimed that he was a democrat. His slogan was well-known: "If I grant freedom of parties, a party belonging to the East and a party belonging to the West would appear," meaning that the Egyptians were just lackeys simply waiting to be granted freedom of parties. They would group together; some would get authorization for a party for the Russian embassy, and some would get authorization for a party for the American embassy. There would be no one in the middle.

This was 'Abd-al-Nasir's idea of the Egyptian people. No one who thinks this way can make democracy. Democracy in Egypt is taken from the corpse of the regime and the Nasirist ideology and goes step by step.

[Question] But Haykal is sympathetic to the Nasirist period, isn't he?

[Answer] Naturally. He was a part of it and therefore he would have to be sympathetic. Haykal was a writer who started out with THE EGYPTIAN GAZETTE, which was published by British intelligence and British colonialism and was the curse of the Egyptian nationalist movement. Then he went over to AKHBAR AL-YAWM, where he wrote an 800-page book in which it was revealed that AKHBAR AL-YAWM was founded by American intelligence and he was the outstanding star in it. Now all of a sudden he becomes the one who decides who is a nationalist and who is a lackey in the Arab world. Why would he not be sympathetic to this regime? He is no good at all. Why would he not be sympathetic to Nasirism?

Haykal is part of that regime, part of this experiment in which the Arabs suffered the worst defeat in their history. A defeat, unlike the defeat of the Moguls; but the Arabs have not yet gotten over it. Haykal defends his life. Haykal commits crimes under the Nasirist regime. Indeed he defends his life and this is not at all strange.

[Question] There are those who say that if the Muslim Brotherhood in Egypt has been allowed to enter the elections with a party representing the best of the Islamic current, they would have scored an overwhelming victory.

[Answer] I do not understand what you mean. Do you mean the present party or the Islamic current?

[Question] I mean the Islamic current.

[Answer] The Islamic current would not sweep the elections, but it could be the primary opposition party.

[Question] Can it achieve power?

[Answer] No. It will not achieve power; it still has a long way to go until it reaches a majority. This is a very significant matter, and I ran into it in my study of minorities. The Islamic current must reach some sort of formula with the Egyptian Copts, a formula for a political program derived from Islam, but acceptable to the Copts as a program for Arab Egypt, the heart of Islamic civilization. Unless the Islamic current achieves this, it will be difficult for it to rule.

[Question] But the problem of the Copts appeared only in Sadat's time, did it not?

[Answer] That is because democracy began to appear. When everyone was under pressure there was no problem, but [Moslem Brotherhood founder] Hasan al-Banna foresaw this and put Copts into the constituent body of the Brotherhood. He had two Copts in the constituent body, but when the Islamic movement was hit and the thought of the Islamic movement deteriorated (it deteriorated because of government terrorism) they ignored this fact. In fact, some elements went over to sectarianism and attacked the Copts (by burning Coptic cars, for example), and perhaps these acts were done by elements which were surreptitiously planted. As for the true Islamic current, it must propose a program of political action which is acceptable to the Copts as a political program and is at the same time derived from Islam. You will find this in my book which will be issued shortly and which I published in a four-part serial in UKTUBAR magazine during Ramadan. It received a positive response from Muslims.

[Question] What is the percentage of Copts in Egypt?

[Answer] Not less than 10 percent.

[Question] And before al-Sadat we never used to hear about them?

[Answer] Before al-Sadat we did not hear about anything at all.

[Question] 'Abd-al-Nasir silenced everyone, but was al-Sadat the one who reopened the problem of the Copts?

[Answer] Al-Sadat did not open up this wound, rather it came in during al-Sadat's time along with many other issues which were exploding against him from many forces which upset the situation in Egypt. This problem never reached the intensity displayed in the time of al-Sadat because a great part of it (and I agree with you) was contrived, but the question is about the Islamic current in Egypt. Can it govern Egypt alone? Can it govern Egypt with a political party which does not include a Christian or a Copt? I believe that this is impossible and unsound. We forsook sectarianism because many foreign hands meddle in it. From the standpoint of the Islamic current both in and out of Egypt, the Islamic current in Syria, and the Islamic current in Lebanon, a program must be proposed which is politically acceptable to the minority.

[Question] We went through the 'Abd-al-Nasir ear and we said...

[Answer] (interrupting) Let me tell you a joek on this subject. A delegation from abroad once came to visit 'Abd-al-Nasir, and its members said to him, "The Copts in Egypt are being oppressed." He said, "This is not true."

They then said, "Is it possible for a Copt to be director of an agency?" He answered, "Naturally." They said, "Is it possible for a Copt to be a minister?" "Of course." he replied. They asked, "Is it possible for a Copt to be prime minister?" "Of course." he replied. Finally, they asked, "Is it possible for a Copt to be president of the republic?" He said, "Not even a Muslim can do that."

'Abd-al-Nasir suppressed everything.

[Question] Al-Sadat took Egypt into a distorted Western atmosphere and gave the 10 percent Coptic population the reins of power. He thus created a split more severe than the dictatorship of 'Abd-al-Nasir. What is your view?

[Answer] What actually happened in the time of al-Sadat was that very many things were happening and causing completely opposite results. Do not forget that as soon as al-Sadat came many international forces proceeded to isolate Egypt completely from the Arab world, despite al-Sadat and the opposite of the plans of al-Sadat. From these plans the national unity of Egypt was torn apart and this problem was created. This was exploited by international organizations by granting residency status for Egyptian Copts abroad, allowing them to work, and granting citizenship to them in America and Canada in return for their attacking Egypt and saying that there were no freedoms [in Egypt]. Some Copts were trained in an institute in Belgium in which Crusaders train, a Catholic institute in (Indenberg), and at the same time they smuggled into the Islamic movement elements which caused sectarian incidents. Al-Sadat tried from time to time to create a balance, so he tolerated the Islamic movements, and at the same time he tried to please the Copts by granting them things not usually granted to them. Despite these foreign powers, there arose so-called sectarian strife. Because this is foreign in the Egyptian climate and foreign to the Egyptian spirit, it cannot endure. But this problem is completely separate from the question which I posed, and that is the Islamic movement or the Islamic party. The Islamic party is answerable for winning over the Egyptian Copts, winning over the Lebanese Christians gain, and winning over the Syrian Christians. It must draw up a formula of a cultural Islamic program representing the achievement of Islam as intended by the Muslims and representing the cultural political program for these minorities for the sake of an advanced, independent, liberated homeland. These two problems are separate.

[Question] Do you believe that the Islamic current in Egypt is sharp?

[Answer] Yes, as a result of the terrorism imposed on it.

[Question] Does this meaning that acts of terrorism in the name of Islam are right?

[Answer] No, not entirely. There are things done by intelligence agencies, but I do not blame a banned organization. You are pursued by the law for simply joining an Islamic movement, praying, or letting your beard grow. So I do not blame someone in this position who takes up a gun; I do not blame him at all. Violence generates violence. Look, I was on my way to Sayyidna Husayn [Mosque] once. We were just sitting down for coffee when all of a sudden two homosexuals started kissing in public and talking very explicitly; I was shocked. The driver turned and said, "Sir, if those two were to let their beards grow and go into [the mosque] for the morning prayer, they would be arrested." This is the point we have reached. So I do not blame any current for going to extremes for what goes on behind me with the police; I am supposed to defend myself or respond to the radical instigator who urges me to acts of violence. This is only natural.

[Question] But Islam rejects violence and rejects any effort at authority for the sake of authority.

[Answer] Islamic movements in the Arab world are hit and are oppressed. There is no need to blame or scold them amidst the foul campaigns launched against the Islamic current in some newspapers--vile and vulgar campaigns which describe Muslims as barbarians, although they may be the only sect which preserves the values and principles found in society.

Why do we let a university professor prevent a girl from coming in wearing a veil. We were satisfied not to prevent her from dressing up gaudily, and we called this freedom. But we prevent her from covering up, and when she defends her freedom to do this, we call it violence. How come?

The Islamic current needs to be allowed to operate in the daytime so that all can see that it is honest and trustworthy.

[Question] If you were to speak to 'Umar al-Talmasani, what would you say to him?

[Answer] There are those among you who would respond to the worst of 'Umar. The things which al-Talmasani has written were not on the level of the Islamic movement.

[Question] Do you mean that 'Umar al-Talmasani is not up to the current phase?

[Answer] Of course. And he does not represent the Islamic movement at all. 'Umar al-Talmasani represents a historical need and he is a choice of Anwar al-Sadat, just like Pope Shanudah. Al-Sadat, as Haykal says, chose Shanudah and rigged the elections for him, based on the advice of Mamduh Salim. The Islamic current does not recognize al-Talmasani and did not elect him.

[Question] We went through the 'Abd-al-Nasir era and we went through the al-Sadat era, and we saw that the essentials did not change. External forms changed, but the essentials were the same as in the revolution of 1952. What is happening now?

[Answer] A struggle is taking place in Egypt between Nasirism and the forces of the setback and defeat. The current of 'Abd-al-Nasir is not even 'Abd-al-Nasir; it is the worst side of the regime of 'Abd-al-Nasir, it is the remnants of the intelligence agency. Members of the vanguard organization were suddenly appointed editors-in-chief, spreading out all over trying to restore the Nasirist regime or prepare for a military coup based on Nasirist principles. Another current says that legitimacy is the October War, the military side, the spirit which was victorious in the October War, the idea of the ability to attack the Jews, and the need to fight the Jews. This is the basis of legitimacy which is based on the restoration of freedom and dignity of the Egyptian citizen. It is impossible to achieve military victory or industrial progress or to restore Egypt to its proper place except by restoring dignity, freedom and the will of the citizen so that the Egyptian intellectual, the maker of Egyptian civilization, can return so that he will be the master in Egypt, not the intelligence agencies and organizations, and not the security agencies, and not oppression and suppression.

[Question] Is the present phase heading in this direction now?

[Answer] No. The present phase contains a struggle which is very violent and no one can make predictions because, as I said in an article of mine in UKTUBAR, we are from a generation which swore that what happened in our country would never happen again, even if we had to die. We resist, but Egypt is under pressure. The Nasirist current is very strong, or the current of the setback, the current of defeat, because the international and regional forces want defeat. They want an atmosphere of defeat; they do not want an atmosphere of victory. They do not want an atmosphere of liberation, and they do not want the Arab to talk. The Arab individual is deprived. A nation and its people are isolated and cannot live. This current is very strong and is supported in the East and in the West. The likelihood of victory against it is in the hands of God. I do not guarantee and I do not say that we are proceeding in rapid steps, but there is a struggle, without doubt there is a struggle.

[Question] There are in Egypt now many minds with expertise in the field of economics. Nevertheless, Egypt recently has begun to encounter crises over bread and many basic items. What is the real secret behind this unreasonable situation?

[Answer] 'Abd-al-Nasir destroyed economic efficiency in Egypt, then al-Sadat came and opened the door to foreigners and they ate whatever capabilities Egypt had left. The only thing to appear on the surface was the share which one could steal together with the foreigners or prepare for the stealing foreigners. Egypt is bankrupt from this standpoint and this is the secret of its bankruptcy. Unless democracy and popular control, through the

free media and a parliament which is able to respond, return, it will be impossible to solve any economic problem in Egypt. Egypt would be able to eat and acquire and produce for itself if conditions were returned to the way they are supposed to be and every specialist gets to deal with his own field of endeavor: the economist would speak about the economy; the capitalist would speak about the factories; the engineer would speak about building. But under the Nasirist regime and the regime of al-Sadat the wrong man was in the wrong place. Democracy is the only solution to the problem of Egypt now. At the present time 80 percent of the bread in Egypt is financed from abroad, whether by support of America or Egyptian funds abroad. Egypt is unable to feed itself bread, and all of this is caused by 'Abd-al-Nasir's destroying the bases of the Egyptian economy and al-Sadat's opening the door which al-Sadat did for international capitalism, which ate what was left.

[Question] Are unnecessary items supported in Egypt?

[Answer] The dollar in Egypt is supported. Picture this: The government gives importers dollars for 117 piasters while its market rate is 125 piasters. The Egyptian government supports the dollar--a policy without anyone in control. The Bank of Egypt, which was established by Tal'at Harb in confronting international colonialism in 1920, was established as an independent bank in a colonized country. People go to this bank with valuables valued at 4 million and it gives them 47 million. They take it and they smuggle it out. They are employees of the public socialist sector who never dreamed that they would work in a bank, so they became directors for the biggest Egyptian bank, which they plunder in this fashion. If this bank were held by individual shareholders, would they have done this with their money?

Impossible, but "Stray money knows thieves." So we support oil. We support cigarettes. You can ride the train first class, with air conditioning, from Cairo to Alexandria for 5 pounds. Five pounds means 15 riyals. At the same time, animals die if they ride third class. Fine, raise the first class rate and improve third class. But no, because the regime, which is not comfortable about its position, tries to bribe the upper middle class for a vote at the expense of the economy of the country and the budget of the country.

[Question] How does the map of the classes in Egypt look now?

[Answer] Very vague. It really is very vague. That is, the classes which are deprived of education are sitting on top of society now, and this is one of the tragedies of society. It is a phenomenon that classes which were deprived economically and culturally cannot oppose. Suddenly the open door policy came and they were able to achieve huge economic gains, but they do not have education. What do they do? For example, in Alexandria you find the largest resorts are the worst. The best resorts are the ones which in the past were called people's resorts; that is, they were not clean, etc. Society is now turned completely upside down. But it is a phenomenon which we cannot resist. Indeed, we can educate



these classes quickly. Programs can be set up to educate these classes and teach them the principles of civilization and about their history and about their country. People in these classes do not know the meaning of the struggle with Israel, do not know what the role of Arab Egypt is, and do not know anything. All they know about the Arab world is that there are work contracts in it. Classes need to be educated quickly, and this also comes in a democratic atmosphere in which the intelligentsia plays a prominent role.

[Question] President Husni Mubarak is in the middle of this struggle which you just referred to. Where does he stand?

[Answer] I really do not like to praise leaders who are in power. I have nothing for or against him. In fact, all I can say is that all our hopes are pinned on him. That is, we pin our hopes on him. That is, we want Egypt to be Arab; therefore, we say President Husni Mubarak is an Arab leader who follows a sound Arab policy. We want a democratic society. We in fact pin our hopes on it, and we hope it will become a reality.

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EGYPT

ABU ISMA'IL INTERVIEWED ON BROTHERHOOD-WAFD RELATIONSHIP

Riyadh AL-YAMAMAH in Arabic 2 Jan 85 pp 38-41

[Interview with Salah Abu Isma'il by Fahd 'Abd-al-Karim: "No, The Movement Has Not Surpassed al-Talmasani"; date and place not specified]

[Text] This meeting took place following numerous developments which have, one way or another, touched on the issue of Islamic action in Egypt over different periods. Therefore, the dialogue which ensued has been comprehensive and deep, exposing the extent to which Islamic action in Egypt has faced different forks of pressure, obstacles, and hindrances. We do not want to tell you that there is the important and the more important in this frank dialogue. The entire dialogue is very important. Therefore, we invite you to read it and then to hand down a verdict on it, and to familiarize yourselves with its concepts, especially since it deals with a long period of Egypt's modern history and with the events with which this period has teemed in the political and religious domains, and in the judicial domain, too.

[Question] How did the July 1952 revolution reflect on the Islamic orientation of Egypt?

[Answer] Frankly speaking, it did not deal its blows to anything like it dealt them to Islam. It struck at the Muslim Brotherhood in 1954 and it struck at the shari'ah judiciary in 1956. In this year, it used Holy Koran Radio heretically, according to the custom of the revolution's men. If they wanted to strike at an Islamic objective, they added an Islamic appearance. They set up a special station to broadcast recitations from the Koran. The advocates of making the Koran the arbiter, who say "the Koran is our constitution," were pursued, and they massacred Sayyid Quthb and his companions in 1966. When al-Sadat came to power in succession to 'Abd-al-Nasir, he began with his slogan, wanting to build the state of science and faith, and he ended up with another slogan, in which he said: No politics in religion, and no religion in politics.

[Question] How about the development of al-Azhar?

[Answer] They struck at al-Azhar with law number 103 for 1961, calling it the law for the development of al-Azhar, while it was tantamount to nothing

more than the destruction of al-Azhar. They were not content with this action, but they struck at al-Zzhar in its awqaf and in its financial sources.

[Question] The multiplicity of Islamic groups in Egypt and the contradictions existing among them are clearly noticeable. What is the secret of this multiplicity and of these contradictions?

[Answer] The multiplicity of the Islamic groups in Egypt should not disturb us, because all these groups are in agreement on their motives, objectives and goals. There is a quotation by Martyr Imam Shaykh Hasan al-Banna, which flows from the spring of the pure Koran, in which he says: "We cooperate in what we have agreed upon, and we excuse each other for the things over which we have differed." there is not in Egypt an Islamic group which does not agree on the Koran and the sunna. It is enough for us to cite this much for you to perceive through it the oneness of motives and objectives, although schools of thought and means might differ. A difference such as this one which we see among the schools of jurisprudence, does not prevent a Maliki from following a Hanafi as imam in prayer, nor does it prevent a Shafi'i from following a Hanbali as imam in prayer. Therefore, things are on the contrary: if there is a disagreement, then it is a disagreement over the means which are used. We, in our present position, are perhaps in the position of someone who philosophizes this disagreement through this position.

Then, do not forget that, in the days which followed al-Sadat's end, the emergency law created article 102 in the penal code, saying: It is impermissible for any one in the places of worship, even if he is a man of religion, to say, even as an advice, anything through which he would oppose a law or an administrative decision. The perpetrator is sentenced to payment of a 500-pound fine and to imprisonment. Should he resist, he is sentenced to pay a 1,000-pound fine and to a jail term.

This atmosphere which you see-- of court trials for the members of the Renunciation and Repudiation Society and for the members of the al-Jihad Organization, of court trials in cases of membership [of Islamic organizations] and of court trials for other things-- has left the young between two things: It is impossible for them to agree on a leadership they desire to follow-- and such a leadership is nonexistent-- or they resort to individual judgments and narrow-based initiatives. Thus, their troubles multiply and, consequently, their groups multiply. In my opinion, they found themselves in between, that is, in a period which suggested to them the need for continuing to consider the Koran and the sunna and the need for advocating God's Revelation, but which, at the same time, deprived them of forming a mainstream which would meet to draw [Islamic jurisprudence] from one source, or to make them pupils of one center. This is the secret behind this multiplicity. Nor does this multiplicity stem from differences of opinion, or from a conflict of whims. However, this multiplicity emanates from the difficult general situation which has afflicted the Islamic call in Egypt.

[Question] There are those who attribute this multiplicity to the non-existence of a qualified, high-level leadership, such as Hasan al-Banna, may God have mercy on his soul?

[Answer] There can be no doubt that whenever we view Hasan al-Banna's struggle, we remember the ordinary Prophetic tradition: "Once every 100 years, God places at the head of this nation someone to rejuvenate the affairs of its religion." We do not deny that Hasan al-Banna was a bundle of energy, talent, leadership, strength and continuing activity. However, we must remember that his was a time when the Muslim Brotherhood group was not banned from operating publicly. A ban on the emergence of a party on the basis of a creed has not been cast in a legal mold. Furthermore, the laws in force in Egypt stipulate that it is impermissible for a party to be established on the basis of a creed. These laws also say that an independent candidate has no right to nominate himself to the People's Assembly. These things, which were created after Hasan al-Banna's era, were non-existent in his time. These laws were even nonexistent following the ordeal of the Muslim Brotherhood in 1958, when the Muslim Brotherhood's reinstatement was deemed appropriate at the outset of the revolution, when the revolution dissolved the parties but retained the Muslim Brotherhood to avert an uprising and to strike at the parties, first, and to have a free hand in striking at the Muslim Brotherhood later. But, in our present time, suppose that now, while I am a People's Assembly member enjoying immunity, can I call for establishment of a party on the basis of a creed? The law forbids me to do this--I am a People's Assembly member. The law ought to forbid the others, who do not enjoy such a status. Even worse, no party can be established, except if it is endorsed by the Committee on Parties, and this committee endorses no party, unless it accepts and recognizes Camp David.

[Question] It was said at the time that you had a stand on this agreement?

[Answer] I rejected this agreement along with the 15 Assembly members who rejected it in the People's Assembly. Time has only reinforced my rejection of this agreement. I liked what King Husayn said from the People's Assembly rostrum a few weeks ago. He said: We rejected the Camp David agreement because, when Egypt accepted it on the basis of bartering peace for land, Egypt did not make such a condition to the benefit of the Palestinians. It did not make the sought-after peace for the Zionists contingent on the Palestinians' recovery of their land. Thus, Egypt divided the Arab ranks and lands. Therefore, Egypt was severed from the Arabs, and the Arabs lost their great elder sister who offered 100,000 martyrs for the cause of the al-Aqsa mosque. Therefore, we are proud of the Egyptian people at the same time that we attack the Camp David agreements. The Egyptian people have not spared shedding their blood. On the contrary, they have offered their blood and life. There is no house without a martyr, a wounded casualty or a maimed person. The Egyptian people are a militant people; they expelled the Hyksos in ancient times and they ousted the Tatars and the Crusaders and, God willing, they will expel the Zionists. However, I say that the general atmosphere in which we now live does not foster the establishment of a party on the basis of a creed. Islamic groups have been

banned in Egypt and specific bylaws have been imposed on them under which they find no freedom. Furthermore, there is the university guard and it has specific methods.

[Question] What are the motives behind the limiting of Islamic activity?

[Answer] There can be no doubt that, in the first place, these motives are attributable to ignorance of the constitution. The People's Assembly members have not kept to article two of the country's constitution, which says: "Islam is the state's official religion and the Islamic shari'ah is the main source of laws in Egypt." Had these members interacted with this article, they would not have challenged legitimate provisions through personal provisions. However, regrettably, they take the oath to observe the constitution, while their party obligations prevail over their religious commitments. The opposite should supposedly prevail in case of conflict [of interest]--their religious obligations should prevail in their hearts.

[Question] At a meeting with a colleague, Jalal Kishk said that Islamic action in Egypt has gone beyond 'Umar al-Talmasani. What is your opinion?

[Answer] The Islamic movement in Egypt harbors all appreciation for 'Umar al-Talmasani. He has a facile pen with which he writes in all newspapers. He has protracted struggle to his credit and he makes sacrifices, whose brunt he has borne and which he still bears, even now that he is well over 80 years old. He is distinguished by a surprising calm--a calm rooted in the depth of the wisdom gained through a long experience in life. Therefore, my opinion about this experience and this wisdom is that it takes a position which the young have surpassed. I believe that it is an opinion which does not reflect the reality of the young in Egypt. Furthermore, the judgment of the young through the cases which are being considered is a judgement that has surpassed the truth, because the truth revealed by the court findings in the case of the al-Jihad organization is that 198 were acquitted. Therefore, those to whom an injustice was done and who were considered for 3 years as rash, unjust and unduly indulgent, are, in reality, innocent, pure, dutiful and highly honorable. We still view the opinions of 'Umar al-Talmasani as flowing from the pure fountain of wisdom. In his experience, we see a broad-minded man with perspicacity, precise expressions, sound motives and bright objectives and ends. We invoke God to reward him well for his services to Islam.

[Question] However, [do not] real life practices prove what has been said?

[Answer] The university groups now draw their members from their own ranks. This is an order, because neither Islamic groups nor religious parties are allowed. Nor is a connection between the young and 'Umar al-Talmasani allowed. These youths work in an atmosphere governed by laws which do not allow them to do more than what they are permitted to do, so far as they are allowed to operate publicly. These groups also work under the most stringent legal circumstances. To portray this state of affairs to you, it is enough for me to mention that a youth named Salah Sultan was graduated from the College of Arts 2 years ago with first degree honors,

and he was the first in his class. He had the right to be an instructor in his college, and his college was entitled to enjoy having a person with his ability. However, he was prevented from being appointed as an instructor.

[Question] Why?

[Answer] Because he belonged to the Islamic groups. Therefore, is this an encouraging atmosphere?

[Question] What is your story with the Muslim Brotherhood?

[Answer] I grew up attached to the Muslim Brotherhood, and I will die attached to it. It is being said in this context that I continued to refuse to join the Muslim Brotherhood so long as Hasan al-Banna, may God be gracious to his soul, lived. It may be that this is an astonishing matter. I went to hear him every Tuesday. I admired him and his eloquence charmed me and filled my heart, and I loved him with all my heart. However, I refused to join the Muslim Brotherhood.

[Question] Why?

[Answer] In my early life, I was in higher education. I went to elementary school when education had elementary, secondary and academic phases. My family were religious; they were headed by an eminent ulema called Shaykh 'Ali Abu Isma'il. He left behind a replete library and two ulema sons, my paternal grandfather and my grandfather's brother. However, people of the [social] class of my father and uncles were all in civil education. Therefore, it was thought proper that Salah Abu Isma'il leave general education so that he would memorize the Koran and join al-Azhar, and thus one of the family would be an ulema. I was and I am still proud of belonging to al-Azhar, and I refused to join the Muslim Brotherhood at the beginning.

[Question] May we know the reason?

[Answer] The reason lies in my being proud of belonging to al-Azhar. I said; I, a member of al-Azhar, work under the banner of the Muslim Brotherhood. I also work under the banner of al-Azhar so that people will know that there are working men in al-Azhar. It is as if God willed this for me, so that I would be spared the 1948 tribulation. At that time, I was still in the fourth class secondary. When the Muslim Brotherhood was reinstated, I listened to the late 'Abd-al-Qadir'Awdah in the Thursday talk, not the Tuesday talk. He said something which made me regret every moment which I was away from the Muslim Brotherhood.

[Question] What did he say?

[Answer] He said, "We live in a constitutional country and, in all countries, the constitutional system places the majority in power. The Ulema graduate from al-Azhar and they are annoyed at teaching science.

However, the ulema do not uphold the slogan which says that there is no rule except by the Koran. The Muslim Brotherhood advocates the slogan which says that there is no rule except through the Koran. Therefore, if we rally the majority around this slogan, we will tell the government and the revolution: we are the majority and this is our call. Therefore, rule by the Koran which the nation advocates. We do not seek after power, but we seek the rule of Islam. This does not have the concomitant that this should happen at our hands. Let it take place at anybody's hands." This logic pleased me and I felt that all the time which had passed without my having joined the Muslim Brotherhood ranks was wasted time. Therefore, I joined the Muslim Brotherhood with all strength and I set up a center for struggle in my town. My colleagues at the Arabic language faculty chose me as the leader of the Muslim Brotherhood members in this faculty. This was followed by my arrest in January 1954. My fortune, through the Muslim Brotherhood, was to be arrested I felt no regret. On the contrary, the arrest increased my fervor in view of the brotherhood, love, determination and patience which I saw this group practicing while under arrest.

[Question] Then what?

[Answer] I emerged with yet added strength. Then, the Muslim Brotherhood was banned from reappearing on the scene. I entered the People's Assembly and saw suppression progressing gradually and daily through successive legislations geared to isolating the Muslim Brotherhood from life. God then willed to take to His Paradise our elder brother, Salih 'Ashmawi. may God rest his soul, the owner of AL-DA'WAH magazine. On the night for the offering of condolences, brother Shams al-Shinnawi introduced me, saying: Here is now the speech of Shaykh Salah Abu Isma'il, People's Assembly member, Wafd Party Higher Committee member and Wafd Party parliamentary spokesman. It found it hard for me to bear that a brother of the Muslim Brotherhood should introduce me with these attributes, and yet forget that I am a colleague. I then stood up to Eulogize Salih 'Ashmawi.

[Question] What did you say?

[Answer] Members of the Muslim Brotherhood were present, Fu'ad Siraj-al-Din was present and Muhammad Rashwan, at that time minister of state for People's Assembly and Consultative Council Affairs, was present. I said, "Talking about Salih 'Ashmawi is not eulogizing a dead person. However, it is an elucidation of the characteristic traits of one school of the Islamic call." Continuing the eulogy, I said, "The calamity which has befallen us through the loss of Salih 'Ashmawi is doubled by the fact that we have lost a militant man and that we are losing AL-DA'WAH magazine. A law has been innovated which stipulates that a license issued for an individually owned magazine, is revoked in the event of the magazine owner's death. It is as if at the same time we bid farewell to Salih 'Ashmawi and to AL-DA'WAH magazine. I desire to say that I am not being introduced to speak about Salih 'Ashmawi as a People's Assembly member, but I should be introduced as one of the adherents to his school."

[Question] What else did you say?

[Answer] Brothers, you have been unable to serve the Islamic call under the present circumstances for the following reasons:

First: There is no way you can stage a comeback following the enacting of the law which bans the establishment of parties on basis of a creed.

Furthermore, there is no way you can keep AL-DA'WAH magazine following the promulgation of the law which kills it following the owner's death.

There is also no way you can enter [the political scene] as independents, Nor can you enter the mosques following the restrictions which have recently been imposed on them through the afore-mentioned article 102. It is unavoidable for you to remain as you now are in your locations and positions until you fall at the instant of your death, and we will suffer death. Will you remain in this position, or is a movement imperative? My God has led me to this movement.

[Question] And what is this movement to which my God has led you?

[Answer] I am in the Wafd. But previously and consequently, I was and am still in the Muslim Brotherhood. Allow me, Wafdists, and allow me, Muslim Brotherhood members, to say: I am the ambassador of the Muslim Brotherhood to the Wafd Party, and I am the Wafdist ambassador to the Muslim Brotherhood. Since this moment, I will implement ardent efforts with the Muslim Brotherhood and with the Wafd Party, so that we will enter the popular Islamic channel, the legitimate channel of the Wafd Party. Then, the Wafd Party will have won the Muslim Brotherhood's current, and the Muslim Brotherhood will have won the Wafdist channel. Efforts will then converge to produce the aspired fruit. We could have won by a landslide majority in our capacity as Muslim Brotherhood and as the Wafd Party, had it not been for the rigging whose news you have recently read about--a rigging which permitted an illiterate person, who can neither read nor write, to nominate himself for the Tanta constituency. It was proved by a final court verdict that he was illiterate with the legal consequence that he should fall together the 10 members of his list, and that the runner-up list should win, namely, the Wafdist list consisting of Muslim Brotherhood and Waddist candidates. This is adequate evidence about the rigging of the election. Then, this was not the sole instance of rigging, and had it not been for the rigging, the result would have been different.

[Question] Is the Muslim Brotherhood sufficiently convinced of this step?

[Answer] What is important is that the Brotherhood members, headed by our elder brother 'Umar al-Talmasani, are fully convinced of this step. They have recommended it too. I have been to all the Arab countries and I have seen the Brotherhood members fully satisfied with this step because, at least, it has given them a voice to air their ideology and express their feelings. Furthermore, they enjoy a parliamentary immunity stipulated in the constitution. How can this be objectionable?

[Question] Let us ask you: Why the Wafd Party in particular?



[Answer] The matter in this is very logical: the Wafd Party is the sole party existing in Egypt which has been established in a legitimate and popular manner through a judicial verdict. It is still enveloped in the authority's mantle. Furthermore, it is the party which was not embroiled in the revolution's mistakes because it was distanced from the revolution. It is the party which did not get involved in Camp David and it is also the party which has not clashed with the Muslim Brotherhood. We are in the same trench with the Wafd Party. It is enough for us that the Wafd Party adheres to article two of the constitution, which says: "The Islamic shari'ah is the main source of law in the country." It is enough for us that the Wafd Party has stipulated in its programs the need for applying the Islamic shari'ah. It is enough for us that the Wafd Party issued a statement on 11 March 1984 announcing that it stood opposed to the secularists, who advocate separating religion from the state. It is also enough for us that the Wafd Party calls for national unity.

[Question] How about the recent rumors which spoke of differences between you and the Wafd Party?

[Answer] These rumors remind me of two things: the report published by the Cairo AL-MASA' newspaper in its edition published on the evening of 6 October 1981, that is, the day of al-Sadat's assassination. It disclosed to the people in this edition that "President al-Sadat emerged from his house, while people thronged the two sides of the road amid displays of welcome and respect. He ascended the dais in the parade grounds and reviewed the various tanks and weapons. He then returned home with God speed amid manifestations of extreme joy and welcome, having been accorded a farewell as warm as the reception with which he had been met. Thus, what the newspaper wrote was a figment of its own imagination, and it did not occur to this newspaper's editor that destiny had another logic. On that day, the newspaper appeared to be miles away from facts. The newspaper AL-MASA' did not learn its lesson through this predicament, which should have eliminated it as a newspaper. It repeated the same tragedy when it reported that Shaykh Salah Abu Isma'il and the Muslim Brotherhood group had boycotted the Wafd Party, that Mumtaz Nassar had fallen during his questioning and that Fu'ad Siraj-al Din had told us: I do not know anything about the Islamic shari'ah. I wrote my reply to them, and this reply was published. I remind AL-MASA' that, in its capacity as a newspaper, it should be truthful in reporting the facts that it presents [to its readers], and I would ask it not to remind us of its illusory talk of 6 October 1981.

[Question] When did you enter the People's Assembly?

[Answer] Previously, I wanted to enter the Assembly in 1957, when I became 30 years old. However, Jamal 'Abd-al-Nasir issued a decision saying that it is impermissible for any one who was arrested by the July 1952 [revolution] up to the date of the issuing of this decision, to nominate himself to the People's Assembly. This decision prevented me from nominating myself, and it was a political isolation. Nor do I know the secret behind it.

He accused me and arrested me. Then, he regarded his accusation as grounds for keeping me out of the Assembly, while I was innocent. When political isolation was lifted in 1976, I polled 10,000 votes over and above the government candidate. My constituents pinned their hope on my election. I invoke God to enable me to live up to their expectations. Consequently, their dealings with me reinforced their sincere confidence [in me], and this is the grace of God Almighty. I enjoyed confidence at a time when al-Sadat was personally leading a campaign to bring about my downfall through his information media.

Furthermore, the battle was fiercer in 1984. With God's grace, people continued having confidence in my feeble and modest person--and this is something which prompts me to spread out my clothes for my brothers and to be grateful for their kindness and their struggle. I invoke God to unite us on the straight path.

[Question] Observers have interpreted the recent events as a reconciliatory gesture by the regime toward the religious current in Egypt?

[Answer] The regime is one thing, and the judiciary another. The proof is that the judiciary handed down a verdict against the regime to the benefit of the Wafd Party. It also ruled against the regime to the benefit of the Awqaf case, and it has ruled against the regime in numerous situations and cases. When these cases are heard, the government sends its lawyer and tries to secure a reversal of the verdict. However, the judiciary sees righteousness and justice and hands down righteous and just verdicts, even if they are handed down against the state. Had the matter been one of reconciliation, our judiciary would not have been a free one. But we are proud that our judiciary is free and that it does not serve as a bridge for the regime to cross to its objectives, and that our judges are much loftier than this.

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EGYPT

'ABD-AL-MAJID INTERVIEWED ON PALESTINIAN, ARAB ISSUES

Cairo AL-MUSAWWAR in Arabic 11 Jan 85 pp 30-31

[Interview with Dr 'Ismat 'Abd-al-Majid, minister of foreign affairs, by Majdi al-Daqqaq: "The Soviet Understand the Egyptian Stance"; date and place not given]

[Text] Perhaps interviews with Dr 'Ismat 'Abd-al-Majid, Egyptian foreign minister, are repeated frequently. However, this interview is highly significant. It is the first press interview with the chief of Egyptian diplomacy following Egypt's participation in the conference of the Islamic countries' foreign ministers and the resumption of Egypt's membership of the conference, as well as following the attempts of the Iranian-Syrian-Libyan trio, as Dr Ismat has described it, to cast doubt on the legality of Egypt's attendance and on the major victory which was scored by Egyptian diplomacy at the 15th session of the conference of the Islamic countries' foreign ministers.

The event of the hour, that is, Egypt's participation in the conference, was where the interview, which dealt with all kinds of different issues, began; and the interview went on as follows:

[Question] Dr 'Ismat 'Abd-al-Majid, what are the most significant results of the Islamic foreign ministers' conference?

[Answer] This session has entrenched our membership of the Islamic Conference Organization following the resolution passed by the summit conference which was convened in Casablanca, Morocco and especially after the attempt that was made by the Iranian-Syrian-Libyan trio to place two topics on the agenda through which they wanted to cast doubt on the legitimacy of Egypt's return to the Islamic Conference Organization. This is why a demonstration was staged by a large number of countries, well over 24, extending support to Egypt and including African, Asian and Arab countries. They made an attempt, but they failed. As I have said, this has entrenched Egypt's membership and has been a major victory for Egyptian diplomacy.

Political Settlement of Crisis

[Question] There are numerous and different settlement plans geared to resolving the area's problem. How does Egypt view the form of the coming settlement in the Middle East?

[Answer] There is an untiring movement, and we are not immobile. We move and we try to think and to discuss things, naturally, with the people nearest to us, namely, the Arab brothers. These discussions are also continuing with our friends, that is, with the countries which have close ties with Egypt and which care for peace. We receive information from various sources, and we receive envoys and meet with them. Our moves and contacts are continuous, but they are basically aimed at achieving a just and honorable peace. Perhaps we differ with some of the brothers on the means for fulfilling this [objective]. However, let me state our stance: We say that it is imperative to continue with the peace process, while we stress the importance of holding consultations and discussions with all the parties on the best means for achieving peace. At this point, we say all the parties, that is, the people involved, or the parties concerned, with naturally, the brother Palestinians at the head.

We have followed all the proceedings of the Palestine National Council [PNC]. We back and strengthen the position of Yasir 'Arafat. We emphasize at this point that it is imperative to respect the independence of Palestinian decisionmaking represented by the PLO, the legitimate representative of the heroic Palestinian people.

#### International Conference Is Not An Innovation

[Question] Does Egypt's call for the convening of an international conference to resolve the crisis mean Egypt's forsaking of its international obligations?

[Answer] Never. Egypt always respects its obligations and considers this commitment a part of its heritage and work method. However, this does not signify that if I am unable to fulfill a specific way, I should close the door to other ways. Then, when I speak of the international conference, I speak of a resolution passed by the UN Security Council, that is, resolution 338. Therefore, the international conference is not an innovation; the resolution was passed in October 1973, and the conference convened in December in the same year in Geneva and was attended by Egypt, Jordan, Syria, Israel, the United States, the Soviet Union and the United Nations. The conference oversaw the disengagement processes on the Egyptian and Syrian fronts. However, the conference did not continue functioning. Nevertheless, we can say that it is a method of resolving international issues, and this method is not an innovation.

[Question] Therefore, what is your conception of the form of the Egyptian-Jordanian-Palestinian joint initiative, especially following the restoration of the Egyptian-Jordanian relations and the Egyptian-Palestinian rapprochement?

[Answer] All that I can say is that these things were the beginning of an intellectual rapprochement, as well as the beginning of understanding and consultations among parties concerned with the issue to lay the groundwork for wider consultations and for understanding by the other countries concerned, be they the United States and Israel, or the EEC countries. This is a method for the peaceful resolution of the issue, and we scrupulously

want to illustrate the danger of letting things erode. This cannot continue, because it is not to the benefit of any of the parties to leave the situation in this state--and this is part of Egypt's concept of this initiative.

#### These Are Egypt's Conditions

[Question] To what extent have things gone between Egypt and Israel?

[Answer] President Mubarak has frequently repeated Egypt's position--and the Israeli side knows well our position. We want Israel to adhere to its obligations and implement what can help restore the situation to normal between us and them. As the world knows, we always demand as imperative:

--Taba's return.

--Israel's withdrawal from Southern Lebanon. And at this point I say an actual, not formal, withdrawal.

--The Palestinian people's rights.

The Israeli side must understand all these things, in addition to the fact that Israel must understand that Egypt is an Arab state linked to the Arab world and that it has its Arab and Islamic affiliations--and no side can tell Egypt to pursue a policy that does not stem from this concept.

#### Roles of Moscow, Washington

[Question] What does Cairo expect of Moscow?

[Answer] We can say that, following the ambassadors' return, we hold consultations, especially after the return of normal relations based on mutual respect. The Soviet Union is a superpower. Furthermore, I believe that the Soviet fully understand Egypt's position. We hope the Soviet contribution will be made in the way of helping to resolve the issue peacefully and seeking to achieve peace in the area, because this is to the benefit of all of us, and it is compatible with the cause of peace.

[Question] How about the U.S. role?

[Answer] It is hoped that the U.S. role will be an effective and dynamic one, and that President Reagan, now that he is through with the elections--in the U.S. capacity as a full partner--will generate momentum for the peace process. This is how I figure the U.S. role.

[Question] Well, what is to be expected of the EEC countries?

[Answer] The Europeans say that their role is limited. They emphasize the importance of the U.S. role in its capacity as a principal role. However, I say that it is imperative to persevere and to insist on this role, and that it is imperative that the Europeans initiate active measures. We hope that

these things will be done during Italy's chairmanship of the EEC, which will begin around the beginning of the new year, 1985. We also hope that the picture of European influence will become clearer, especially after President Mubarak's visits to Germany and France, and following Italian Prime Minister Craxi's visit to Cairo.

#### Egypt and Lebanon

[Question] We have heard of Egyptian pressure having been put on Israel during the talks which were held at al-Naqurah. What is the real Egyptian stand on the Lebanese crisis?

[Answer] The Lebanese situation is a main part of the Egyptian attitude toward Israel. We have conveyed this to the Israelis and we have made them understand it. We hold the view that the al-Naqurah talks are an encouraging indication. We have said that it is imperative for Israel to make a real withdrawal from Lebanon, and that Lebanon must recover its full sovereignty over its territory. This is the Egyptian position--in all clarity and strength--in connection with Lebanon.

[Question] Have the Egyptian efforts aimed at ending the Gulf war come to a halt?

[Answer] These efforts have not stopped. On the contrary, we have tried and we are still trying to halt this destructive war. Iraq has responded to all the mediation efforts, but Iran has not responded.

[Question] What can the international community, or the Islamic Conference Organization, do toward the issue of the prisoners of war arising from this war?

[Answer] I estimate that this is one of the most important points placed on the conference's agenda, especially after the position taken by the Red Cross and its denunciation of the treatment accorded to the Iraqi prisoners and of the incidents which have occurred in a camp for Iraqi prisoners in Iran. In my opinion, this is a humanitarian situation to which interest must be devoted. I envision a factfinding mission heading for both Iraq and Iran to study this subject, which I consider a humanitarian subject in the first place.

#### Chad and the Sahara

[Question] Is it possible to know Egypt's stance on the Chadian crisis?

[Answer] Egypt supports Chad's unity and sovereignty as well as noninterference in Chad's affairs on the grounds that the OAU resolution must be implemented. We encourage the convening of the Brazzaville conference under the supervision of the president of the Republic of the Congo, Brazzaville, because he is the one who is working to close the ranks of the brother Chadians and to achieve national reconciliation.

[Question] Is it possible to say that the Egyptian stand on the issue of the Western Sahara has changed?

[Answer] The Egyptian attitude has not changed. Morocco has withdrawn from the OAU, while Morocco should supposedly have submitted to the OAU a plan for the referendum that Morocco had previously accepted. However, this has not happened. We have expressed our regret over the withdrawal of Morocco, which is a country we cherish, as well as an Arab and African country with a role to play. We call on Morocco to return [to the OAU] so that this issue can be resolved. I want to emphasize that our attitude toward Morocco has not changed, and we have expressed this stand at the latest UN meeting, when we voted in favor of a draft resolution consistent with the OAU resolutions. I believe that it is imperative for Morocco to understand this, because Egypt is committed to the OAU resolutions.

#### Unconditional Relations

[Question] What is required of Egypt and of the Arabs for Egyptian-Arab relations to be restored?

[Answer] We stress that while Egypt imposes no conditions, it does not accept conditions too. Egypt is a part of the Arab nation--and an essential part of this nation. I believe that President Mubarak's recent speech to the People's Assembly, in which he affirmed that Egypt is strength for the Arabs, and the Arabs are strength for Egypt--sums up the whole situation.

#### Red Sea Security

[Question] How does Egypt view the issue of Red Sea security?

[Answer] The security and stability of the Red Sea is a basic and vital matter for the safety of the area and for insuring freedom of navigation in the Red Sea. We are dedicated to this [security] and we will give it top priority, especially following the mine-planting operations, which we have brought under control and which have ended finally.

[Question] Therefore, how do the Red Sea littoral countries preserve its security and stability?

[Answer] It is imperative to hold consultations, reach understanding and exchange information. This is the first thing which should be done, and we are prepared to do this.

[Question] Has the call for the convening of a conference for the Red Sea littoral countries expired?

[Answer] This call has not expired--it is deferred. We stand prepared to respond to Sudan's call. As soon as a time and date are set for the conference, Egypt will be among the first countries to attend and to participate in this conference.

[Question] There is a call for the establishment of an organization of Red Sea littoral countries--what is the Egyptian viewpoint on this call?

[Answer] It is still early to talk about this subject.

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EGYPT

# ASSEMBLY SPEAKER'S RIGHTS, RESPONSIBILITIES REVIEWED

Cairo AKHIR SA'AH in Arabic 16 Jan 85 p 14

[Editorial by Jalal al-Sayyid: "Responsibilities And Rights of Assembly Speaker"]

[Text] If the speaker recognizes one of the majority party deputies, the opposition accuses him of bias and of not according the opposition its due. If the opposite occurs, and he recognizes one of the opposition deputies, a majority party deputy jumps up, accusing him of granting the opposition a bigger opportunity than the ruling party, and demanding that the opposition should be recognized in accordance to its strength in parliament only. In both instances the speaker is accused of bias, either by the ruling or by the opposition party. This situation began when we took up the party system, and I believe that it will continue without solution as long as parties continue to exist.

But the situation which was recently raised was a comparatively new situation, concerning the right of the assembly speaker to interfere and participate in the debate, and to instruct deputies. This situation came into existence after the end of the honeymoon between the assembly speaker and the opposition. Justice Mumtaz Nassar, the leader of the opposition, had objected to Dr Rif'at al-Mahjub, accusing him of entering the debate and expressing an opinion, all this being contrary to established procedure. The situation appeared again on the horizon when Ahmad Taha, the Wafd party member, refused to finish his speech in protest at the interference of the assembly speaker in the debate, concluding by saying that he was not to be instructed by anyone like a schoolboy.

Dr Rif'at al-Mahjub, the assembly speaker replied, "You are a people's deputy and you have the right to say what you please, but the chair also has the right to ensure for the debate a logical progression that leads to results. The debate, otherwise, will not be far from vituperations."

The assembly speaker added, "I am protective of freedom and democratic practice, and we are a school for the people. We teach our children how to think, how to present their thoughts and how to arrive at correct results. If logic were to become a hotchpotch in our speech, then that would not lead to anything, and would not be democracy. As assembly speaker, I do not issue a verdict, but I uphold the debate. The podium is not a mere man who

recognizes this or that person. The assembly speakership is larger than this. I am expected to uphold the manner of the debate, and to return it to the subject if a deputy gets off the subject. I am also expected to watch over assembly business and to accord what is taking place with the constitution and established procedure."

In fact the assembly speaker cannot be a mere "switch-board operator" who recognizes this or that deputy. He is rather in control of the debates, ensuring that they produce results. The People's Assembly must of course be a school for the people that teaches those who are listening to the debates the logic, manner and skill for arriving at what the debator wants to express in the shortest and most powerful ways. But for a deputy to rise and say anything that is off the subject, or to settle his accounts, or to flex his muscles at the ministers is something that is not acceptable to anyone. In the final analysis it is the right of the assembly speaker to manage the debate, and to direct it to the subject, being careful and obliged not to express an opinion, or to direct the debate towards a definite aim. If the assembly speaker does actually have an opinion that he wishes to express — and this is his right he then has to leave the podium and speak from the floor, to say whatever he wishes, like any other member, this being the greatness of democracy. For he, even as assembly speaker, has the constitutional right to exercise his right as an ordinary deputy to express his opinion on any item, on condition that he does so away from the podium, which undoubtedly has a strong influence on the deputies. It remains to be said that managing the session is not an easy task, and that the initiation of new parliamentary practice, while preserving some of the old, is a difficult matter. But in spite of Dr Rif'at al-Mahjub's patience, and his attempt to ensure justice between majority and opposition deputies, he will remain biased in the eyes of one or the other, for each side wants to monopolize the debate. But the real verdict always remains for history, and for parliamentary editors.

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EGYPT

# OPPOSITION PRESS CRITICIZED FOR DEFAMATION, EXAGGERATIONS

Cairo AKHIR SA'AH in Arabic 30 Jan 85 p 3

[Editorial: "Trusteeship of the Word and Party Responsibility"]

[Text] What have the opposition parties been doing? What have they contributed to national action since the end of the election campaign? What part did they play when the National Party government began to engage the accumulating, long-standing problems that strike at the roots? What solutions did the opposition propose? What relevant ideas did it advance through its newspapers, or through its deputies in the People's Assembly, over a period of 6 months? Furthermore, what did Egypt gain so far from the existence of the opposition, and from the opportunity for democratic practice that is available to it?

We say in good faith, and without being unfair, that these parties-- from the far right to the far left--did not propose or contribute anything new except that demagogical deluge of exaggerations and recriminations which was prevalent in the old party life and which had nauseated the Egyptian people in the fifties. They are still living in the same whirl of factional exaggerations and recriminations and personal disparagement. They have not been attentive to their national responsibilities by cooperating seriously with the government in order to ease the burden of the masses and to confront their long-standing problems.

It would be possible to say without exaggeration that the wide base of the masses has been disappointed after discovering that the proceeds from opposition activities have not added anything to democratic practice. On the contrary, they have wasted time in twisting the facts, slandering public figures and creating suspicion about responsible officials-- disregarding their political or military record--in continuous efforts to destroy, to deform and to disprove.

Thus neither the opposition nor its newspapers were able to leave the sphere of exaggeration at times, and at other times return to the past and deform all that is clear and bright in order to provoke a spirit of class struggle and to incite hatred.

Actually the opposition and its newspapers are not only hurting themselves by this opportunistic manner, but are also hurting democracy.

We are passing through the stage of stabilizing the democratic edifice and the correct practice which President Mubarak is concentrating on establishing through affording more freedom. Will the opposition contribute to the consolidation of the stage by its participation? Will it attempt through serious initiatives to enrich the democratic arena in Egypt by contributing seriously and participating effectively in the area of the national action?

Does it believe that this method of exposing errors and concentrating on the negative only is what promotes the flowering of democratic practice, widening its scope and deepening its roots?

If we were to halt a little before the "prevalent color" of opposition activity, would not the citizens have the right to ask the opposition parties and their leader: What have they contributed to the subsidy issue, in the study of which, and in finding national solutions for which, the government had demanded their participation? What did they contribute to solving the housing problem, and what was the nature of their participation with the government as it was attempting to overcome it by all means, despite the modesty of the capabilities? What did they contribute to solving the economic and other national problems?

It has become clear to the people that the opposition has come to waste all its effort on being alarmist in relation to errors, in hunting for negativisms and in slandering officials, instead of performing its chief task of forming special committees and shadow cabinets to study our long-standing problems and our national affairs, in order to participate in solving them.

This was being done in the style of the yellow press which nauseates the reader, and experience has shown that such a style "neither survives nor continues" as our mentor, Mustafa Amin said recently.

Whoever reads the opposition newspapers feels right away that he is reading newspapers that appear in a country that is hostile to Egypt, and whoever reviews what those newspapers have written in the last 6 months feels that all was black on black, full of deviations and skepticism.

The aim of this defamation of national action, and of disparaging those responsible for this action has not been concealed from the leadership. The aim is an attempt to abort this great effort, which the government of the National Party is applying in engaging scores of long-standing problems, and to defame the effort of the leaders in all areas.

In spite of all these rabid attempts to defame and to incite suspicions about several leaders, and in spite of all the statements and announcements which had answered at that time those fabrications and lies, the defamation attempts did not cease, for this is the single style which some opposition groups have mastered, the disparaging style.

The latest of those attempts was an attempt by the newspaper of the "Grouping" party to hide behind an old report from one of the banks, which was finished with and fully investigated 6 years ago, to discredit and offend the person of Kamal Hasan 'Ali, the prime minister, and to attempt to defame his family and brothers after they failed to find a single opening in his clean, honest record.

However, the man's conduct is above suspicion. He spent his whole life bearing arms in defense of the homeland, for which he boldly fought three wars and faced death on more than one occasion. He did not tarry for a moment to submit his life in the defense of his native soil, never expecting a profit or a price for what he did. As any soldier he was waiting to answer the call to duty, or to take up any responsibility in any position, until the latest call from president Mubarak for him to assume the responsibility of the government, which is facing hundreds of problems and challenges. Kamal Hasan 'Ali did not reject the call to duty at all, ever remaining in a position of giving.

Because he is an honorable man, he has refused to be silent about whatever reflects on his honor and integrity. Because he is a simple and modest man--as foreign broadcasts have related about him -- he has refused to sink to the level of recriminations. Because he is a courageous fighting man, he has repelled the allegations which the "Grouping" party newspaper has spread, in order to challenge and confront it with the truth without equivication.

But such means -- the means of extortion and terrorism -- do not frighten the courageous man.

President Husni Mubarak revealed the aims of these attempts and their goals when he said in his recent speech: "Yes, I know that there are some sources that are attempting to depict clear matters in other than their true light and which mean to disparage.

But we all know the intentions of those sources and hope that they will realize that the slogan "Egypt is for all Egyptians" would befit them to rally as one around the national aim, which is the aim of all Egyptians.

The security and safety of all Egyptians, as well as what they hold sacred, cannot but be a national goal, which will not be prejudiced by anyone, no matter what political orientation or ideological belief he might have.

And now: Will the deviating groups of the opposition grasp this deep, intrinsic meaning which President Mubarak wishes to express? Will the party press understand its duty, and will it assume the trusteeship of the word? Will it return to its senses and move away from the crooked path of sowing suspicion, defamation and personal disparagement? Will it direct itself to what is better and more beneficial for the common good?

The time has come for the deviating groups to correct their position once again and to reject that mode of practice. As President Mubarak has expressed it in the thinking of the alert and enlightened leadership:

"Party life is not only exposing errors and concentrating on the negative and condemning shortcomings in any situation. In its other aspect, party responsibility is working for rectification, and it is presenting practical ideas for the flowering of the positive and the treatment of shortcomings.

And if we welcome criticism in the press, no matter how severe, and even when at times it exceeds the limits of logic, we at the same time call for a press that welcomes scientific and practical opinions from writers, specialists and experienced people in order to remedy the defects and to raise general behavior to the expected civilized level."

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EGYPT

KAMAL HASAN 'ALI DISCUSSES DOMESTIC ISSUES

Cairo MAYU in Arabic 7 Jan 85 p 3

[Interview with Kamal Hasan 'Ali, the prime minister, by Sabri Abu al-Majd; date and place not specified]

[Text] I know him both as a warrior and a man of peace. I have known him for many years as a man of considerable expertise. The men of our valiant armed forces know him for his bravery, daring and honesty. He has been in five wars, the first in 1948 and the last in 1973. In these wars, he proved himself to be a valiant warrior.

I also knew him as the overseer of our national security system at a delicate stage of our modern history, marked by dangers and gravity. At the same time, I have known him as minister of defense, commander in chief of our armed forces, deputy prime minister and finally prime minister.

I have known him up close, and every time I saw him, I was more astonished than ever by his complete modesty, humanity, gentle character and superior ability.

This is all fundamentally due to his honest, Egyptian nature, which is a gift.

In the difficult negotiations resulting in a departure of Israeli forces from Sinai, he was a negotiator anxious to retrieve every speck of Egyptian soil. In April 1982, under the direction of President Husni Mubarak, I heard the story of the most difficult negotiations in history. The negotiations with Israel before the death of President al-Sadat were difficult and tough, but after his death, they became far worse. We know that the negotiations with Israel lasted 5 months following al-Sadat's funeral. It was a real war, in which all kinds of pressures and maneuverings were used. Kamal Hasan 'Ali was the epitome of firmness, ruggedness, decisiveness and determination all at the same time.

Someday, when someone such as I has the opportunity to write the story of those 5 months preceding the departure of Israeli forces from Sinai, the world will read the most wonderful story of negotiations and the retention of every speck of our beloved national soil.

Since the post of prime minister was entrusted to him, I have been concerned about him. His health, at that time, would not allow him to assume those enormous burdens that the responsibilities of that important post demand, at this difficult stage of the country's development. However, the man is a rare breed whose pains are hidden behind the onerous work. His health improved with those efforts that he expends, and the fierce pains that afflict him from time to time were eliminated.

Despite the longstanding and firm relationship between us, I did not pursue him as a journalist, out of a desire not to burden him. At the last meeting of the National Democratic Party, I said to him, "I think that the time has come to have an interview with you, in order to go beyond what we journalists have written about you." He agreed to an interview on the first day of the new year.

It was an unconventional interview that lasted more than 2 hours. At the end, I was afraid that I had further burdened the man already weighted down with burdens and responsibilities.

[Question] Fortunately, my first interview with you is at the beginning of the new year, 1985. On this occasion, I want to wish you, on behalf of the MAYU family and myself, a happy new year, praying to God from my heart that He grant you good health and wellbeing, and that He bring success to our Egyptian nation.

On this occasion, I would like to know your wishes in this new year for the people of Egypt in particular, and the Arab nation in general?

[Answer] I thank you and the MAYU family for those sentiments, which I know very well are sincere. I would like to say to you and to the readers of MAYU that my wishes for the people of Egypt are numerous and varied. If I could be permitted to choose some of them by way of unlimited examples, they would be led by the hope of achieving for the Egyptian people that which the people aspire to and which we are working to achieve for them. Prosperity and stability are two main goals that we are working to achieve for the people of Egypt. My hope is that the 5-year plan will bring forth its hoped-for fruits, especially since we are on the verge of entering a fruitful stage of that plan. Let me tell you that during the last months of the plan's 3rd year, in the State Industrial Organization, projects valued at \$2.2 billion have been approved. By comparison, the total was only \$730 million for the same period of last year.

Regarding my wish for the Arab nation as a whole, I hope that it will enjoy stability and that it will be united for its wellbeing and glory.

[Question] As a military man who has been embroiled in many battles and has spent a large part of his life fighting in five wars, then became deputy prime minister and prime minister, a man whom everyone has recognized for his outstanding ability in both military and national political action, achieving many victories and successes in these two fields, what military duties



benefitted you in the political arena? In your opinion, what are the differences between military and political work?

[Answer] During the 36 years that I have spent in the armed forces, military duties have benefitted me in many ways. On the one hand, it distinguishes ways of administration, as well as precise organization and order. It also brings together good administration and the good selection of aides. On the other hand, military work is distinguished by the setting of timely goals, which is always necessary to determine the required objective, as well as determining the ways and means of achieving it. It teaches that every action requires proper timing.

There are those who say that achieving 90 percent of a task on schedule is good and that 100 percent completion can be done after a while. Military work requires maintaining the schedule as written. There has to be mutual respect between the commander and his subordinates. By the nature of the work in the armed forces, you are responsible for your troops in their daily lives, in terms of food, clothing, services and training, and for their lives in times of war. Therefore, you must have the ability to make difficult decisions in difficult places and at the proper times. However, in the end, it is how you protect the lives of your troops. This is the humanitarian aspect along with the duty.

#### You Enjoy the Same Characteristics

Another way that I benefitted from duty in the armed forces was patience with adversity. By his nature, the soldier in the field faces periods of peak psychological and physical pressures under tension. Consequently, this makes dealing with death easier. What would be in your mind if you faced difficulties other than that, or perhaps I should have said, more than those required of a soldier's life. However, this does not mean that those who have not served in the armed forces would not enjoy all the same characteristics. We have seen the same characteristics that the soldier has gained in many leaders and executives. Accordingly, they are national soldiers as well.

Therefore, the important point is that duty and qualifications in the armed forces are undoubtedly very close to political work in terms of strategy. All of these are channels for the fulfillment of one's higher national duties.

#### The Way To Solve Problems

[Question] I know and everyone knows that you do your utmost to alleviate the problems and burdens. I would like to ask, how can we overcome a great part of these problems and burdens?

[Answer] In my opinion, the current 5-year plan is at the point of breaking up the entanglements between efforts and real progress. The current 5-year plan has been dealing with the urgent conditions, with their economic and social dimensions. In my opinion, the next plan will concentrate on the fundamentals of cultural, economic and social progress, or rather, it might influence the behaviorisms that we want to get rid of. The most important of all of

that is the extent of its influence on the movement of youth, and their jobs and aspirations in the new lands that are the future of Egypt. They, the young, are its future, whether in the new communities or in the reclaimed areas. The beginning of the relaxation of the population crisis is connected with the young. They are the ones who will apply and live through the next 5-year plan. They will see the end of the housing crisis, without any question, especially if the current rates of construction are continued. And what goes for housing also applies to many other matters, including increased employment opportunities and the so-called cultural model.

[Question] What about the fixing of prices and taxes so that they cannot be raised?

[Answer] Price stabilization is the first goal of this government. It has taken many steps in this regard. I mentioned some of them in the People's Assembly, when replying to members' discussions of the government's statement. These steps include the purchasing of agricultural and processed food products directly from companies of the public and private sectors that wish the direct intercession of the Ministry of Supply, along with expansion of production firms in the areas of agriculture and land reclamation and utilization. This involves firms of both the public and private sectors. On the other hand, we are working to encourage poultry breeding, and to find a direct connection as well between production in the public and private sectors and the Ministry of Supply.

All of this will help to eliminate the influence of middlemen and what goes for foodstuffs can also apply to clothing and to public and economy housing.

#### Development of Curricula

[Question] What about the possibility of developing education to serve the country's social and economic needs?

[Answer] We are working toward this, since programs are being developed in the secondary and technical schools, as well as programs of higher education, because the country's labor requirements and specialization needs are mounting. This step was begun a few years ago, and it will be concentrated upon during the next 2 years.

[Question] Some believe that the open door policy has created a class of parasites that has all but influenced economic destiny, or rather, has almost created many disparities among the masses and, to a great extent, has affected the youth who see this class amassing millions without exerting any efforts. What do you think about this point of view; is it exaggerated or realistic?

#### War on Middlemen's Corruption and Exploitation

[Answer] There is no doubt that this class was established with the open door policy, and the exploitation of the first steps of liberality. However, the government is fully ready to combat corruption and crookedness, as well as middlemen who do nothing but amass money. Therefore, the government has been

very determined to intervene with those middlemen and merchants in regard to the people's foodstuffs. It has insisted, and does insist, on the relationship between the producer and the consumer being a direct one, without the intervention of any of these persons. The government is also concerned with reducing the costs of construction and projects, through direct dealings between it and the companies and governments concerned, to the extent possible. The Central Bank has been put in complete charge, since it is the mother bank or the bank of banks, as the economic expression puts it. Undoubtedly, that will prevent such parasites as these from seizing the deposits of individuals without [contributing to the] national product.

[Question] Turning now to the subject of increased and improved production, there are those who say that the first obstacle preventing improved and increased production is the lack of recompense or penalty and the disparity between the salaries of state workers and public sector workers and the wages of workers outside this sphere. Specifically, how can we translate in a practical way the slogan of increasing and improving production into a tangible reality in our lives?

[Answer] With respect to the public sector, the improvement of production has been included in the 5-year plan. The industrial sector alone has been allocated 8.5 billion pounds for overhaul and modernization in 180 public sector factories. This will introduce modern technology proportionate with our circumstances and, on the other hand, will ensure increased production.

I have stated in the People's Assembly that a system of incentives will be drawn up for production and producers only. This will not be for all the workers, because there must be a reward for each one who strives, those who respect God, the conscientious and the producer.

#### Land Cultivation Instead of Speculation

Prime Minister Kamal Hasan 'Ali talked about what the government has done to push land reform and to help the small holder to pay for land cultivation instead of speculating on the land after paying an enormous total cost.

[Answer] The government has extended many facilities, including, for example, a 3-year grace period to pay the cost ranging between 100 and 400 pounds per feddan, along with the state extending water and electricity to these areas.

The land owners are responsible for private building for themselves and for the payment of taxes on these lands, which will gradually increase from 5 percent to more than that per year based on the following year's wages. In order to guarantee the owner's earnestness, the land will be taken back after 3 years if no serious effort has been made to cultivate this land.

The leasing of land for a period of 50 years to Arabs and foreigners is also included in the Land Reclamation Law. We are prepared to implement this law whenever the Arab or foreign investors agree to that.

## Strong Relationship Between the Party and Government

[Question] Would you discuss the relationship between the party and the government, and between the government and the opposition?

[Answer] Without question, this relationship is firm, organized and coordinated. This is seen in the weekly meetings that members of the government hold in the National Party offices with members of the People's Assembly and the Consultative Assembly and party leaders. They are important sessions and meetings, in which the important issues of the masses are discussed. There are many meetings between ministers and the party leadership, which are not only important from the standpoint of party work alone, but also to find unified ideas to meet national problems, or rather, to create the personal liaison and personal relationships which must be commensurate with the unity of these ideas.

## Good Relations With the Opposition

With regard to the government's relationship with the opposition, it is, as we saw in the recent session of the People's Assembly, a good relationship that goes along with national interests. The appreciation of the opposition parties for the government's statement and its program of action, was good. There was unanimous agreement for this statement from the People's Assembly for the first time in many years, and for what it considers success for the government's work in the interests of all the people. It is the government of the national party.

As for possible excesses in some cases by some of the opposition press, this is a matter to be found in the new democratic processes. We hope that the concept of democracy will improve in the minds of the youth, so that all will work for the good of this nation.

[Question] The people are aware of President Husni Mubarak's support for the government. They are also aware of his strong desire for democratic practices to achieve the people's goals of progress and prosperity. Won't all of this facilitate your job as prime minister?

[Answer] President Husni Mubarak is distinguished by many qualities as everybody knows. He has been a politician for more than 10 years and has worked to solve the problems of Egypt both at home and abroad throughout this period. Everyone in the political field has recognized his vast expertise and his distinguished qualities, led by his earnestness, integrity and familiarity with every detail in his dealings with all these problems. There is no question that all of that does make it easier for any prime minister to handle, along with his excellency, the affairs of the country, and to receive from him the clear guidance in the myriad problems. I myself have been aware of this throughout the past 9 years in all the posts that I have held.

At the end of the interview, I offered my profound thanks to Kamal Hasan 'Ali for this sincere and useful interview, which addressed many of our public issues. I expressed the hope that this interview could be repeated at some future date.

4 April 1985

EGYPT

## GOVERNMENT SPENDING ON PRODUCTION PROJECTS, SERVICES DISCUSSED

Cairo AL-AHRAM: AL-TAB'AH AL-DUWALIYAH in Arabic 21 Feb 85 p 9

[Article: "An Assessment of the Rates of Performance and Implementation of the Development Plan During the First Half of the Fiscal Year: Implementation of 40.7 Percent of the Public Sector Investments and 53.2 Percent in the Private Sector"]

[Text] Completion of 95,000 housing units, construction of 113,000 telephone lines, and production of 402,000 tons of textiles.

Of the total number of applications for children to attend school, 99 percent of the pupils have been accepted for elementary school, 96 percent for preparatory school, and 97.5 percent for secondary school.

The volume of investments utilized during the first half of the current fiscal year of 1984-85, which is the third year of the 5-year development plan, totalled about 3,113,800,000 Egyptian pounds. This amount includes 2,249,600,000 Egyptian pounds utilized by the public sector, or 40.7 percent of the investments intended to be utilized by the public sector during the course of the fiscal year. Also, the private sector utilized a total of about 864.2 million Egyptian pounds of the investments set aside for it, and this represents 53.2 percent of the investments intended for the private sector to utilize.

Dr Kamal al-Janzuri, minister of planning, prepared a report concerning the evaluation of performance and the execution of the plan, and in this report he said that the priority in the utilization of the investments had been given to projects involving completion and expansion [of existing projects] as well as replacement and renovation. Initial statistics indicate that total current revenues during the first half of the current fiscal year were about 3.582 billion Egyptian pounds. This represents an increase of about 74.5 million Egyptian pounds over the revenues received during this same period of time in the fiscal year of 1983-84. The figure above also represents 31 percent of the estimated total receipts for the current fiscal year, as compared with 35 percent during the last fiscal year.

Concerning the evaluation of performance and execution by the sectors of production and services, this report provided the following information:

#### Sector of Agriculture, Irrigation, and Land Reclamation

A network of field drainage ditches was constructed and deep-plowing operations were carried out over a total area of 78,000 feddans, which represents 40 percent of the total area where such operations are supposed to be carried out. In addition to this, this period of time has seen the production of 5,800 tons of fattened cattle, 1,300 tons of dairy products, 41 million young chickens, 17.6 million fattened chickens and chickens for laying eggs, 82.6 million eggs, 168,000 tons of fodder, and 781,000 tons of fish.

The total production of summer Indian corn was 21 million ardebs [1 ardeb = 198 liters], and the total production of the summer rice crop was 2,235,000 tons.

#### Sector of Industry and War Production

Total investments utilized in industrial sector projects during the first half of the fiscal year amounted to about 443.3 million Egyptian pounds, or 36.2 percent of the goal set.

This period of time also has seen the production of 116,000 tons of cotton yarn, 286,000 tons of cotton textiles, and 5 million items of ready-made clothing, as compared with the figures of 114,000 tons, 280,000 tons, and 5 million items, respectively, for the same period of time during the last fiscal year.

This span of time also saw the production of 2.1 million tons of nitrogen fertilizers, and 476,000 tons of phosphate fertilizers, as compared with the respective figures of 1.9 million tons and 379,000 tons for the same period of time last year. Production of reinforcement iron was 95,000 tons, as compared with 131,000 tons for the same period of time last year.

The manufacture of equipment for automated bakeries began, and the investments utilized for this purpose totalled about 950,000 Egyptian pounds. This represents 65 percent of the investments intended to be utilized for this purpose--investments which total about 1 million Egyptian pounds [as published].

#### Sector of Supply and Internal Trade

The production of wheat intended for [the nation's] food supply during this period of time was about 1.9 million tons, and 839,000 tons of flour were produced, as compared with 1.9 million tons of wheat and 833,000 tons of flour produced during the same period of time in the last fiscal year.

This period of time saw the production of 31,900 tons of macaroni and 246,500 tons of rice, as compared with figures of 28,800 tons and 238,000 tons, respectively, for the same period of time during fiscal year 1983-84.

#### Sector of Petroleum, Electricity, and Energy

Installations put into operation during this period of time were the third unit of the Abu Sultan power plant in Ismailia which has a capacity of 150 megawatts, the first unit of the Shubra al-Khaymah power plant which has a capacity of 300 megawatts, the fourth unit of the Abu Qir power plant which has a capacity of 150 megawatts, and the third unit of the Kafr al-Dawwar power plant which has a capacity of 150 megawatts.

Electricity was brought to 41 villages having a population of more than 1,000 persons, electricity was brought to 102 villages having a population of less than 1,000 persons, and additional electricity was provided to 100 other villages.

The total in investments utilized in the petroleum sector amounted to about 234.8 million Egyptian pounds, or 52.2 percent [of the annual goal]. In addition to this, the petroleum sector's production totalled 23.3 million tons, which is valued at about 1.598 billion Egyptian pounds at current prices. This represents 52 percent of the annual goal, which is about 45.1 million tons. In addition to this, natural gas production during the first half of the current fiscal year totalled 1.5 million tons, or 45 percent of the annual goal.

#### Sector of Transport and Communications

This period of time has also seen the renovation of 130 kilometers of railroad lines, the completion of the operation of making the Upper Egyptian railroad between Sawhaj and Luxor [al-Uqsar] a two-track line, and the construction of about 1.2 kilometers of the body of the tunnel for the subway between Bab al-Luq and Ramsis Square.

Furthermore, about 113,000 telephone lines have been put in, 41,000 lines have been installed for telephone subscribers, and the control building in Asyut has been provided with radar.

#### Sector of Housing, Reconstruction, and Contracting

A total of 95,000 housing units were completed during this period of time. This represents 59.3 percent of the total in housing units which are to be completed during this fiscal year--a total which amounts to about 160,000 housing units.

Furthermore, the first phase of the expansion of the water purification plant in Hulwan has been completed, and the plants at al-Ma'adi, Rawd al-Faraj, Musturud, Imbabah, and al-Fustat have been expanded.

## Sector of Education

The elementary education expansion plan set the goal of admitting a total of 1.1 million pupils to 5,340 new classes. A total of 5,246 classes were created, and this represents 98 percent of the goal. Furthermore, 99 percent of the pupils to be accepted in elementary schools were actually accepted. In the case of the preparatory schools, 628,000 pupils were accepted, and this represents about 46 percent of the goal. A total of 3,178 new classes were set up--with the annual goal being the establishment of 3,500 new classes. In the case of the secondary school system, a total of about 447,500 pupils were accepted for various specializations, and this represents 97.5 percent of the goal which was set.

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EGYPT

# SITUATION OF EXPATRIATE EGYPTIAN WORKERS' MARKET DISCUSSED

Cairo AL-AHRAM: AL-TAB'AH AL-DUWALIYAH in Arabic 16 Feb 85 p 3

[Interview with Mr Sa'd Muhammad Ahmad, minister of manpower and training:  
"The Situation Is All Right As Far As the Egyptian Labor Force Market  
in the Arab Nations Is Concerned"; date and place of interview not specified]

[Text] There is no doubt that the decline in the prices of oil in the Arab nations has already had an effect on the situation of the Egyptian labor force in those nations, and sooner or later this will result in the return of a part of this labor force back to Egypt.

Have we made preparations for the return of these people? There are also, in this connection, a number of questions raised which are being debated in the Arab labor markets.

Have the labor agency offices involved done the job which they are supposed to do?

What future plans do we have as far as the Egyptian labor force abroad is concerned? We asked all of these questions and others when interviewing the gentleman principally responsible for Egyptian labor and Egypt's workers, and here were his answers:

[Question] Because of the decline in oil prices, the oil-producing Arab nations at the present time are experiencing changes in their economic situation. What have been the repercussions of this on the circumstances of the Egyptian labor force in the Gulf nations?

[Answer] An economic recession resulting from a decline in oil revenues in both Saudi Arabia and Kuwait, and the consequent decline in the demand for a foreign labor force--including the Egyptian labor force--constitute something which is inevitable. Our ministry has already prepared a report dealing with this situation as far as the Egyptian labor force is concerned. In general, we do not expect any radical changes. I feel that, in spite of the oil crisis, we should feel reassured concerning the situation of the Egyptian labor force. In general, our assessment is that the Egyptian labor force enjoys a certain measure of stability and permanence as far as the

labor markets in these nations are concerned. In fact, our information indicates that there was a continuous flow of Egyptian labor into the markets of Jordan, Iraq, and the UAE all during 1984.

Nevertheless, we cannot ignore the fact that the economic recession in Saudi Arabia and Kuwait as a result of the decline in oil revenues has been a factor with regard to the occurrence of the decline in demand for a foreign labor force--including the Egyptian labor force--in the labor markets of these two nations. This has been reflected in the policy of these two nations--a policy which has become oriented toward reduction of the foreign labor force and reduction of wages. It is expected that the size of the Egyptian labor force in these two countries will be reduced by 10 percent. As for the possibility of these Egyptian workers finding employment when they return to Egypt, this depends on which of the following categories they belong to:

1. Those persons working in the government and public sectors will find their jobs waiting for them when they return.
2. Those persons working in the sectors of construction and agriculture--who, at the present time, represent a high percentage of those who have temporarily gone abroad to work--will find that the local demand of the internal Egyptian market is sufficiently flexible to be able to absorb them and that they will find positions currently available in the market involving these vocations and skills. We should bear in mind the fact that the local market conditions are also the same as far as craftsmen and professional people are concerned and that the local market is expected to easily absorb them because the market needs such people.
3. As for highly-trained professional people such as doctors, engineers, pharmacists, teachers, and accountants, the labor market for such people in Egypt is capable of absorbing them whether they work for salaries or work for themselves.
4. With regard to those persons working abroad who have university-level and secondary-school-level degrees and went abroad immediately after graduation, the regulations governing the appointment of such graduates make it possible for them to find employment immediately after their return to Egypt provided that they can prove that they were outside the country in accordance with the regulations which are in effect.

This brings us to the role played by our ministry in the area of training Egyptian manpower to work abroad. Above all, our ministry is concerned with setting the policies concerning manpower both inside Egypt and abroad. Our final objective is to coordinate the supply of manpower in Egypt with the specific vocational and professional needs of both the domestic and foreign markets. As far as the foreign market is concerned--and this is the question which we are dealing with here--the statistics which we have concerning the degree to which the Egyptian labor force abroad is being absorbed are considered to be quite indicative [of the importance of this labor force].

For example, the Egyptian labor force totals 500,000 in Saudi Arabia, 136,000 in Kuwait, 17,000 in Qatar, 125,000 in Jordan, 83,000 in the UAE, and 27,000 in Greece. Our ministry undertakes the job of sponsoring these workers, defending their rights, and offering services to them, and this is done via our ministry's labor agency offices which are found in most of the Arab nations.

[Question] How many labor agency offices abroad are there, and are they doing the job expected of them?

[Answer] There are ten such labor agency offices, and they are found in Jiddah, Riyadh, Kuwait, Abu Dhabi, Amman, Qatar, Iraq, Sudan, Greece, and Geneva. All of these places need a foreign labor force, and they need, in particular, the Egyptian labor force which occupies first place among all the foreign labor forces, including those from the Asian nations. These offices play an important role. In connection with the job undertaken by these offices in the area of sponsorship and looking after the welfare of our workers abroad, it is sufficient to say that the compensation paid out to Egyptian workers in Iraq in the form of severance pay, job injury compensation, disability retirement compensation, and death benefits during the years 1981-84 totalled more than 17 million Iraqi dinars. Also, compensation paid out to Egyptian workers in Saudi Arabia during 1984 alone totalled 400,000 Egyptian pounds in addition to \$179,000. These offices also undertake the job of studying the labor markets abroad, determining the requirements of these markets as far as the Egyptian labor force is concerned, determining what specific types and levels of labor are needed, and endeavoring to meet these requirements in light of the government's general policy and the existing labor surplus in Egypt.

[Question] In view of the fact that relations between us and Iraq are continuing to develop, what is the situation of the Egyptian labor force there?

[Answer] The Iraqi labor market is considered to be one of the most important labor markets as far as the utilization of the expatriate Egyptian labor force is concerned. As we know, Iraq requires no entry visas. This is one important reason why so many Egyptians are working in Iraq in all of Iraq's economic sectors--the government sector, the socialist sector, and the private sector. Last year the Iraqi minister of labor came to Egypt, we discussed with him the problems concerning the Egyptian labor force in Iraq, and we worked on solving these problems and promoting cooperation between the two nations in areas involving manpower. Agreement was reached concerning reaffirming the right of Egyptian workers to receive social insurance, severance pay, death benefits, and job injury compensation.

[Question] In view of the policy of integration between Egypt and Sudan, to what degree has this policy promoted the exchange of labor between the two nations?

[Answer] Integration between Egypt and Sudan is something which is inevitable and is made necessary by the fact that both countries are part of the Nile Valley and share a common destiny. Integration between Egypt and Sudan involves aspects which are political, economic, and social. We believe that this integration is now in the stage of being established and being constructed. When economic integration is constructed by means of joint projects involving both nations as well as the building of installations and the setting up of institutions and both horizontal and vertical expansion in the field of agriculture, this will enhance the role of labor as a basic element of production [in this whole endeavor].

[Question] Now that relations have been restored between Egypt and Jordan, could you please shed some light for us on the markets for Egypt labor in Jordan?

[Answer] The restoration of diplomatic relations between Egypt and Jordan represents the culmination of the profound ties which link these two nations. These ties are based on profound mutual understanding, a common struggle, and a common goal. The Egyptian labor force occupies first place in Jordan as far as foreign labor forces in that country are concerned. The number of Egyptians working in Jordan totals about 125,000. This indicates the great importance of the Egyptian labor force in that country.

On the basis of Jordan's current 5-year economic and social development plan, officials estimate that that nation will have a requirement for 254,000 [foreign] workers--with the above-mentioned number of Egyptian workers being available in the domestic market. Of course, foreign labor forces--including the Egyptian labor force--will meet the remaining labor requirement. The Egyptian labor force in Jordan constitutes 80 percent of the total foreign labor force there.

[Question] What future plans and proposals do you have as far as the Egyptian labor force abroad is concerned?

[Answer] Our Egyptian labor force constitutes our human resource, it is the basic pillar of our entire production process, and it is responsible for what we earn from our production. Furthermore, our labor force enriches our national economy in that it brings prosperity to our citizens. It is for this reason that our efforts are concentrated on providing good training for Egyptian workers by increasing their productive capacity and this is also why we sponsor and look after our workers.

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EGYPT

#### ASWAN DAM'S SIGNIFICANCE DISCUSSED

London AL-SHARQ AL-AWSAT in Arabic 8 Jan 85 p 9

[Editorial] by Ahmad Baha'-al-Din: "Resumption of Relations with the Aswan Dam"

[Text] The latest joke in circulation with the man on the street in Cairo: This season, Egypt has resumed its diplomatic relations with Jordan and the Aswan Dam.

The occasion is 9 January, which is the 25th anniversary for starting work on the Aswan Dam.

The reason for the joke is that the "Aswan Dam," in spite of being recognized by the whole world as one of the greatest engineering accomplishments of this age has not been forgotten by the campaign against the 23 July revolution and against Jamal 'Abd-al-Nasir, ever since its winds have blown over Egypt, since it is one of the most important accomplishments of that stage.

Newspapers and articles began to disseminate all kinds of bad publicity about it, beginning with the intermittent rainfall in Aswan, and up to the disappearance from Alexandria, of green sardines which are a type of delicious fish that used to multiply as a result of the blending of Nile deposits and the copious rush of its waters to the heart of the Mediterranean.

In between the two accusations there are thousands of others:

It caused the earthquake. It is holding on to the deposits, thereby stripping the Egyptian soil of its fertility. The accumulating deposits behind the dam will block the river in 500 years. Thus in the life of Egypt, they have turned the High Dam into the catastrophe of the age.

Of course, like any engineering project of this type, it was known beforehand that it would have side effects. The assumption is that there are calculated solutions to treat all these side effects. It is not the fault of the Aswan Dam that it was followed by eras which neglected to furnish the dam with care and consideration and to apply the solutions which would create new virtues from those side effects.

The Aswan Dam introduced electricity into 4,000 Egyptian villages, and thereby brought on an unprecedented revolution in the life of the Egyptian peasant, who has been toiling for thousands of years. It also added approximately 4 million feddans to agricultural lands and created the biggest artificial lake in the world behind itself, rich in fish, shores, possibilities of navigation and tourism; and we have not utilized any of it.

However, what reinstated diplomatic relations between Egypt and the Aswan Dam, according to the current joke, is the fearful dry spell in Ethiopia and the Sudan -- or in the sources of the Nile -- and starvation. In spite of the fact that this is not the first time that the Aswan Dam has protected Egypt from the falling water levels, it is perhaps the most difficult situation which the continent and the whole Nile river area has experienced.

Moreover the entire Aswan Dam with its structures, electricity, whatever repairs it has required and other expenses has cost approximately 400 million pounds, which we are now spending in Egypt on the construction of bridges in Cairo to solve the traffic problem.

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4 April 1985

## BAHRAIN

## MINISTER EXPOUNDS FOREIGN LABOR POLICY IN DEVELOPMENT CONTEXT

London AL-HAWADITH in Arabic No 1467, 14 Dec 84 p 59

/Article: "Three Approaches to the Labor Problem in Bahrain"

/Text/ The problem of foreign workers in the Gulf countries continues to cause widespread discussion and has been examined from various angles and in numerous studies. It must be admitted that the question merits all of this and perhaps more. A real necessity made it necessary to use foreign workers to enlarge the economic channels dug out by the torrent of oil wealth that after 1973 began to pour into a region that was not densely populated. But this phenomenon has been accompanied by a collection of problems that will have more than short-term effects if they are not considered in a clear, scientific way so that they can be understood and solved. For example, to what extent can the plenitude of foreign workers affect plans for training a national cadre of workers? And what are the social effects of the presence of large numbers of foreign workers that in some cases are greater than the number of native inhabitants of the host country?

AL-HAWADITH held this interview on the problem of foreign workers in Bahrain with Shaykh Salman Al Khalifah, the minister of labor and social affairs.

/Question/ How has it been decided to deal with social problems that may arise from an increase in the number of non-Arab workers in Bahrain?

/Answer/ One of the measures taken by the Ministry of Labor in this matter is represented by a proposal submitted to the cabinet that calls for setting aside designated places for foreign workers' housing away from the residential quarters and compelling contractors to build housing for these workers in accordance with specifications drawn up by the Ministry of Works in conjunction with the Ministry of Housing. A committee was formed consisting of the minister of housing, the minister of labor and social affairs, representatives of the Chamber of Commerce and Industry, and public security representatives. The committee eventually earmarked a special area for foreign workers' housing that could accommodate 35,000 workers and would be supplied with the necessary utilities, a network of services, and terrain for sports.

Furthermore, we intend to move a large proportion of the foreign workers living in our principal residential areas. That is to say, we shall begin in al-Manamah

and al-Muharraq and then soak up the foreign workers in the other areas and house them in these complexes, thus making both them and the native inhabitants more comfortable at the same time.

/Question/ There have been repeated allegations that the foreign workers have been subject to financial and income pressures. How much truth is there in these claims?

/Answer/ There is no basis of truth in them. If there had been any financial pressures the workers would not have come to work here. Furthermore, we on our party try as much as possible to correct the transgressions committed by the employment agencies that operate in the countries that export the workers against the workers who are their fellow-countrymen. Most unfortunately, there are violations by some employment agencies--the Indian ones, for example--of the rights of the Indian workers. I mention India here only as an example. What the authorities here do is to try to treat the worker fairly even if it appears that he was not treated fairly by his own fellow-countrymen who sent him to Bahrain. The law here is applied to everyone, and this law both in the letter and the spirit protects the rights of the worker in Bahrain whatever his nationality. In addition to that, we lay down certain conditions for residence in the workers' complexes that are imposed by statute on the companies. Then in addition to all that there are ongoing inspection campaigns that catch any violations that might infringe on the rights of the foreign worker. It suffices for me to say that 99 percent of the labor problems are settled here in the ministry. Before they come to trial we intervene quickly to reach a settlement that guarantees the worker his rights. Included in this is the fact that a worker cannot be deported because of a dispute with his employer. The worker stays until his problem is settled and he obtains all his rights. He can remain after that, too, if there is need of his skill.

/Question/ Is there any plan regarding labor in Bahrain, including fixing the ratio of foreigners to Bahrainis?

/Answer/ I will tell you what I already have set forth in detail in a paper that I presented at the labor and development seminar about a year ago. Whatever the situation the principal goal of the approved plan, along with the difficulties and ambitions it will include, must be to achieve full employment for the coming decade.

- A. Merely maintain for the present the level of full employment.
- B. Anticipate a three-percent annual growth rate in employment.
- C. Anticipate a six-percent annual increase in employment.

The first plan, which involves the lowest growth in employment, can be described as a strategy for replacing the present foreigners with Bahrainis. This option is keyed to 80,000 jobs or 58.5 percent of the total employment filled by non-Bahraini workers (according to 1981 statistics). Furthermore, this option assumes that the state's resources will not be devoted to investment in new projects but will be concentrated on expanding education and training programs, especially among young Bahraini workers.



This plan faces two weighty difficulties. The first is that of graduating a number of Bahrainis possessing higher education, training, and skills to replace the foreigners occupying specialized jobs and senior administrative positions. The second is that some Bahrainis entering the labor market will necessarily replace building and construction workers and those in low-wage services. It is clear that it is necessary that there be close coordination between programs for developing the labor force, programs for classroom instruction, and the regulation of the issuance of permits to foreign workers. This would be done even if full employment remained constant. At the same time some sectors would continue to grow while others, that is building and construction, would suffer a decline in employment levels.

The second plan (B) would encourage a reasonable increase (three percent) in the growth rate of full employment. This growth rate is much lower than the prevailing rate in Bahrain. It can be considered as including the drawingup of a clearly defined economic plan under which employment would grow from 138,000 in 1981 to 185,000 in 1991. This would be an increase of 47,000 in that decade compared with the years 1971-1981, when the increase was more than 78,000. Here we must consider new investment programs aimed at providing employment commensurate with the skills of the Bahraini workers. Programs for developing the work force must also meet the employers' needs in the way of a fully qualified work force. Since this plan would strike a balance between the total growth in employment and the increase in the number of Bahraini workers available, it would be necessary to permit the employment of foreign labor to make up the shortfall.

In this case it is assumed that most of the sectors will make no change in their relative share of the total employment. These sectors are electricity, gas, and water; commerce and restaurants, transportation, and warehousing and communications. The reason why they will make no change is that they are economic-activity operations and grow at the same rate as economic activity does. However, there are three sectors in which no growth in employment is assumed. They include agriculture and fishing, which reflect the paucity of natural resources. They also include strategic industry, because of the anticipated depletion of the oil, and the building industry.

On the basis of these assumptions, with respect to employment in the other sectors, the level of employment in the financing industry would absorb the surplus of labor. Furthermore, a plan for a moderate growth in employment is accompanied at the same time by a relatively rapid growth in the industrial sector, and it is expected that the increase in employment in this sector will be from 11,350 in 1981 to over 25,000 in 1991. This takes into account the fact that some categories of new Bahraini workers in the industrial sector would require technical training, unlike the situation with respect to the clerical and services occupations. Accordingly, the training programs must keep pace with the needs of growing companies.

Plan C assumes that the annual rate of growth in the decade 1981-1991 will hold at 6 percent, or less than the 8.6 percent annual rate achieved in the preceding decade. Nevertheless, the new jobs afforded by this plan up to 1991 would surpass the number of new jobs provided since 1981. The total of new jobs

would increase annually by more than 10,000. But an additional 6,000 jobs to be filled by foreigners would have to be included among the aforementioned job openings each year. The percentage of foreigners in the labor market would continue to be about what it is, or an average of 58 percent.

In choosing one of these plans for economic growth one must keep several factors in mind. One of the most important ones is that the annual growth percentage for employment that is necessary to take care of all Bahraini workers over the coming decade is not more than three percent. Because the program for unhurried development would ease the pressure on the infrastructure, I am inclined to prefer it.

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CSO: 4404/183

BAHRAIN

COMMERCE MINISTER ON POLICY TOWARD DOMESTIC COMMERCE, INDUSTRY

London AL-HAWADITH in Arabic No 1467, 14 Dec 84 p 61

/Interview with Habib Qasim, commerce and agriculture minister: "Our Foreign Trade Has Preserved Its Balanced Growth!"; in al-Manamah, date not given

/Text/ Trade in Bahrain has been affected by the conditions that have prevailed in the region during the past 3 years. This cannot be regarded as a strange phenomenon, for Bahrain is part of the Gulf region and whatever the Gulf is exposed to inevitably has repercussions on the island in one way or another. However, trade in Bahrain has not been affected to the same degree as in other states. Indeed, the growth of imports has kept to an annual rate of increase of about 12 percent.

In the city of al-Manamah AL-HAWADITH had the following interview with Habib Qasim, the Bahraini minister of commerce and agriculture:

/Question/ How can one appraise the situation of Bahrain's trade at the present juncture?

/Answer/ Bahrain, which is in the same situation as any country that follows a policy of free economy, has gone through periods of great economic prosperity. It has also experienced periods of relative stagnation. However, for a number of reasons the Bahraini economy has been in better equilibrium than has been the case in other countries that have had a similar succession of experiences.

Bahrain has not experienced great, sudden upswings. This may be the reason why the basic characteristic of economic planning in Bahrain has been gradualism and balance on a continuing basis. When the region was witnessing a big upturn following the rise in oil prices in 1973, the direct gain to Bahrain from this rise was not great. Thus other activities--trade, services, industry, etc.--witnessed a balanced expansion. This spared the country sudden upsets that it might have experienced if its economy had been basically concentrated on one resource.

Thus the growth rates in general, whether in foreign trade, the level of real increase in national income, or the percentage of public expenditure, continue to be balanced and reasonable. Commercial imports have risen, ranging from 12 to 13 percent during the past few years. In 1980, for example, they were about 432 million dinars while in 1983 they came to 547 million dinars. This means that in general there was a reasonable rate of growth.

Despite all the problems faced by the region that have affected the economies of the states in it, the effects of these problems on Bahrain have been less than on some of the other states. This is due basically to the fact that I have referred to that the growth rates have been balanced. The increase in the national income has remained at about 6 to 8 percent and it is anticipated that it now will be between 4 and 4.5 percent. This is an excellent percentage in view of the circumstances in general.

The problems that I am concerned with here include the decline in the demand for oil and hence the fall in its price. Another problem is the Iraqi-Iranian war and the increased additional costs that it has imposed on commercial activity in the way of more than doubled marine-insurance premiums and increased risk-insurance premiums. All of this has had a negative effect on the economies of the states in the region.

But on the other hand, many of the infrastructure projects in Bahrain have either been completed or are about to be completed. These include port, airport, desalinization and electricity, and construction projects required for services. The past 15 years have been characterized by extensive activity in the fields of these projects. But now this stage has pretty much come to an end and we are seeing a return to "normal" rates of growth.

Even in cases where the state was compelled to postpone projects that were not urgent, the private sector has moved effectively to fill the breach. Thus the building and construction sector has witnessed a great revival in recent times.

With regard to the industrial sector, there are projects that are almost completed. Examples are the iron and steel project and the petrochemical project, in addition to the huge Saudi Arabia-Bahrain bridge project. All of these projects have had positive effects, but they are still in the construction stage and they will even more positive effects when they come into operation.

/Question/ We have heard complaints that the government does not look to the Bahraini private sector to carry out a number of projects sufficient to enable this sector to continue to grow despite the circumstances. These complaints say that a number of projects go to foreign firms without their being obliged to buy from Bahraini merchants the materials they need that are available in Bahrain. How much truth is there in these allegations?

/Answer/ In fact the government--through the agency of the Ministry of Works--awards the greater part of the projects to domestic contractors. For example, take roads, building, or excavations such as those for sewers and water. Most of these projects are carried out by domestic or joint companies. Priority is given to domestic companies and then to joint companies followed by foreign ones. The biggest projects are let out for international contracting and the purchase of such capital goods as electric power stations, desalinization plants or iron plants is submitted to world bidding. In some cases contractors from Bahrain participate in the bidding.

However, I want to tell you here that the disparity in price between world firms and domestic ones can be very great, so that it may not be permissible

for us to choose a domestic firm that asks a big price relative to that submitted by a world firm. The difference at times comes to 30 or 40 percent. In order for the government to be able to construct more than one project it awards the contract on the basis of the lowest price, which saves it enough credits to enable it to begin another project that benefits the country.

Nevertheless, the foreign contractor operates through his domestic agent. The cabinet has given the Ministerial Committee for Services and Utilities, a committee belonging to the cabinet, the assignment of studying the possibility of putting Bahraini personnel alongside the foreigners in large projects and of associating domestic contracting firms with them.

The ministerial committee, chaired by the Minister of Justice, met and drew up an operational program in which the Ministry of Commerce and Agriculture was charged with devising a regime for helping the domestic sector of contractors, factories, and merchants benefit as much as possible from government projects. The Ministry of Housing was assigned the task of making a study of the possibility of employing domestic advisors along with the international ones. We believe that over the upcoming short term, as a result of the numerous meetings held by the Ministerial Services and Utilities Committee, the committee will produce specific proposals to be submitted to the cabinet for a decision. The committee will come up with a specific setup, as was done in Saudi Arabia and Kuwait.

The above is the government's concern. On the other hand, however, it is up to the private sector to protect itself. We can understand it when the private sector seeks an increased role for domestic companies in projects that are under way. But we do not understand why some of the companies in this same sector resort to entrusting their projects to foreign firms without requiring them to buy all or part of the materials they need from the domestic market. We should not ask the government to do everything or to do something that we would not do ourselves. We support the private sector on every proper occasion provided that it is not at the expense of quality or price. It sometimes happens that we give preference to domestic companies despite a greater margin of cost between them and a foreign firm. But we also ask the private sector to hold itself to the same standards as those to which it holds the state.

With regard to industry, the discussions that have taken place in the Ministerial Committee for Financial and Economic Affairs on the matter of support for national industries have resulted in the committee's stipulating such support on quality and price competitiveness. It is true that domestic companies receive special incentives, but such incentives always remain within reasonable limits. That is because the cost of industrial production is higher in Bahrain than in some countries that resort to flooding markets in order to get hard currency. The state does not go very far in applying protective measures, for this practice affects quality, price, and performance capability. Furthermore, it does not encourage the private sector to improve its own capabilities.

/Question/ But how can a domestic producer in a developing industry like that in Bahrain, and in circumstances where the cost of production is rising as it presently is in Bahrain, compete with an industry like that of Korea, for example, or with other products from Southeast Asia, for example?

/Answer/ The situation in this regard is different from that in the contracting sector, for example. There are such measures for the protection of national industry as customs exemptions on capital goods or raw materials and there are increased customs duties on imports for which there are substitutes made in Bahrain. However, competition always is desirable. Naturally we are against a policy of dumping, but we are for a policy of competition.

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BAHRAIN

BANK OFFICIAL SAYS FLIGHT OF CAPITAL HURTS GULF BANKS

London AL-HAWADITH in Arabic No 1467, 14 Dec 84 p 69

/Interview with Dr Henri 'Azzam: "The Monetary Policy of the Central Banks of the Gulf Must Be Updated"; date and place not specified/

/Text/ In an interview with Dr Henri 'Azzam, vice president of the United Gulf Bank for economic affairs, the discussion turned on the situation of offshore banks in Bahrain in the light of the general economic conditions in which the banks are operating. Dr 'Azzam said that the economic recession in the Gulf states has had repercussions on the banks' overall growth. Whereas these banks had registered a marked growth in their balances in 1982 (for example, it was 146 percent in the case of the United Gulf Bank), the growth rate of the offshore units operating in Bahrain began to decline rapidly. These banks (except for the Arab-Asian Bank and the Gulf International Bank) experienced a decline in the return on their mean capital and mean assets. In addition, all the Arab offshore units registered a rise in the ratio of operating expenses to assets. Dr 'Azzam explains this as being a direct result of the slowdown in economic activity in the region and the contraction of lending operations among banks on the international level.

He adds: "The Arab offshore units existing in Bahrain did not register any increase worth mentioning in their net income during the past year. Furthermore, the profits of a number of the principal banking institutions declined."

De 'Azzam makes it clear that there are fundamental challenges facing financial development in the states of the region. The revenues of these states have been declining during the past 2 years, which has impelled these states to draw down part of their accumulated reserves to finance the shortfall in the balance of trade and the development budget. Despite the small size of the sums withdrawn in comparison with the size of the reserves, which in all amount to nearly \$275 billion, such withdrawal constitutes ipso facto an undesirable trend over the medium and the long terms.

He then points out that the limited nature of opportunities for investment in the region and the decline in the rates of profit on foreign currencies have caused investors to divert an increasing portion of their funds from the private sector in pursuit of better investment opportunities, while the high interest on deposits made in dollars has enticed savers to put their funds in dollar accounts.

On the subject of this same phenomenon Dr 'Azzam considers that the transfer of private balances from the Gulf region to the outside world for advantageous investment in the form of dollar deposits has led to increased pressure on the local banking organizations to raise their interest rates. This has subjected the Gulf currencies to increased pressure vis-a-vis the dollar. The next thing to appear will be liquidity problems.

Concerning the repercussions of this increase on the banking system in the region, Dr 'Azzam defines them as being represented in these banks' being compelled to raise their rate of interest on loans, so that this rate has exceeded agreed-upon levels. This compulsion stemmed from the banks' need to increase the interest paid to depositors and reduce the existing difference between the interest and the rate of interest on the dollar to attract new deposits.

All this led to the monetary authorities' being saddled with a situation that is driving them to continue to hoard foreign currencies in an attempt to preserve liquidity in the banking system. This causes them to risk staggering financial losses as a result of currency-exchange operations and speculation in the dollar.

As for the solution, Dr 'Azzam proposes it in saying: "The matter calls for an updating of the monetary policies followed by the central banks in the Gulf region if we want to put a stop to the flight of capital abroad. As long as such an updating is not carried out it will be difficult for the monetary authorities to preserve stable rates of exchange with the dollar and low interest rates on local currencies."

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CSO: 4404/183



IRAQ

BRIEFS

BRITISH LOANS FOR IRAQ--An official Iraqi delegation is scheduled to visit London next February to examine and confirm Iraqi projects whose financing Britain intends to provide by means of medium-term loans. Iraqi sources affirm that Britain is the first country to offer medium-term loans to Iraq. These loans, which amount to 380 million dollars, were agreed upon when Britain's minister of trade, Paul Shannon, [sic] visited Baghdad early last November. Upon his return to London the British minister had announced that he expected the 1985 volume of trade between Britain and Iraq to grow somewhat because of the favorable financial terms his government was offering Iraq. The new British loan includes 317 million dollars earmarked for the purchase of capital goods and machinery. The loan also includes 63.4 million dollars earmarked for Iraq's purchases of British medical materials. Britain's trade minister expressed the hope that the new credit terms will help British exporters restore their former volume of trade with Iraq, which in 1982 had amountd to 1.092 billion dollars. Statistics about British exports to Iraq during the first 8 months of 1984 show a decline in trade of 99 million dollars, compared with the same period in 1983. On the other hand, official statistics published in London showed that Britain's balance of trade with the rest of the world ran a deficit in October of about 1.04 billion dollars. During that month Britain's imports rose to about 7.14 billion pounds sterling, whereas exports declined to about 6.29 billion pounds. This was due to the fact that Britain had to purchase crude heavy oil and coal from abroad to face the effects of the coal miners' strike which has been going on for almost 9 months. [Text] [London AL-HAWADITH in Arabic 4 Jan 85 pp 52-53] 8592

CSO: 4404/211

LEBANON

## SHI'ITE GUERRILLA DISCUSSES RESISTANCE

Paris LIBERATION in French 25 Feb 85 p 4

[Interview with Mohamed Saad, Lebanese National Resistance leader, by Special Correspondent Selim Nassib; time and location of interview not specified]

[Text] Maarakeh, Southern Lebanon--One of the principal leaders of the mysterious Lebanese National Resistance and one of the men most wanted by the Israeli army is a boy of 24 who calls himself Mohamed Saad. Amazing: under 1.6 meters in height, downy goatee and mustache, blue jeans and parka, laughing eyes, a kid! When I ask him for the story of his life, he blushes like a young girl and blurts out in a murmur: "My whole life is the Amal movement." The whole village of Maarakeh (literally "Battle" in Arabic) is decorated with flags in the Shi'ite colors, dark green and dark red and black, and the interlaced Arabic letters calling for holy war and glorifying the martyrs who have fallen in combat. Today there are large Israeli reprisal operations going on: four of the six villages that surround Maarakeh have been invested and isolated from the world. Military helicopters come and go, explosions can be heard nearby, but, quietly, Saad and several of his men are receiving four journalists in the office of the Husseinieh (a Shi'ite mosque), in full view of the entire populace.

They are young, they are devout, they neither smoke nor drink nor swear. Above all, although they are patriots and are burning to "free the earth", their activity relies on the support, not of Lebanese nationalism or of an equally devitalizing Arab nationalism, but of "the Islamic spirit", which moves mountains. Here, the anti-Israeli unanimity is faultless and the boundary line between the Shi'ite religious movements, Amal and the Lebanese National Resistance is more than blurred. Mohamed Saad begins his story with the day the invasion began, 6 June 1982. At that time "armed chaos" reigned "between Lebanese and Palestinians" to the point that the populace accepted the occupation "as a temporary thing". According to Saad, Amal then began the work of organizing in the villages, relying for support on "the depth of the historical roots" of Islam: "Our activity is not political; it is spiritual!"

Mohamed Saad: An early turning point occurred on 24 February of last year, when the Israelis attacked Maarakeh for no other reason than to humiliate the people. The battle between the soldiers and the populace, armed with clubs, lasted from 0200 to 0900 (see LIBERATION, 25 February) and ended with two of our people martyred and 47 wounded; five Israelis dead, one of them stoned to death by women. That date marked the start of mass resistance. Later, at the

time of the Lebanese-Israeli negotiations in Nakoura, we said: these discussions are not going to yield anything. Israel is flooding the world with its propaganda, but it has not yet agreed to leave all of Southern Lebanon. It wants to remain south of the Litani River for now. Therefore we responded by creating Maarakeh-style villages in that same zone. Israel says they are "seven terrorist villages", but we call them "seven villages that follow God's spirit".

LIBERATION: Let's get to the liberation of Saida. What were your thoughts about that?

Mohamed Saad: The way the liberation of Saida took place enabled us to speak, to bring things into focus before disappearing again. (He takes a deep breath and continues.) Look at your article. You know in your heart that it was you who wrote it, and no one else! For us, it's the same thing. Thanks to our action, thanks to the blood that was shed by our martyrs, we liberated the city of Saida and the region around it. On the same day, the Lebanese army was dancing in the streets! The next day, Amin Gemayel landed, displaying the V-for-victory sign! By what right, though? Without the Israeli invasion, neither he nor his brother Bechir would have been elected president of the Republic! Last year, Gemayel stated that there was no alternative to the Israeli-Lebanese accord of 17 May. But we had been saying: there is one, it's resistance, its Maarakeh! One year later it was proved true.

LIBERATION: What do you think of the demonstration by the Hezbollah ("God's crazy ones") last Monday in Saida?

Mohamed Saad: That wasn't a demonstration by the organized Hezbollah, but a natural reaction by one portion of our base in the southern suburbs of Beirut, which was outraged by Gemayel's visit the day before. You have to understand that there is no difference between the Hezbollah and all those who are fighting against Israel. I myself want very much to carry on the resistance with our Christian brothers. I am in favor of national unity.

LIBERATION: How is the "iron hand" policy which was announced by Israel 2 days after the liberation of Saida being implemented on the ground?

Mohamed Saad: This means first of all that they are shooting at everything that moves in the fields. Thus, in the last 5 days 11 people have fallen. Secondly, Israel is destroying houses in villages, and not just those belonging to "suspects". By acting this way it is hoping to set the population against the resistance, but it is having the opposite effect. Likewise, when Israel arbitrarily imprisons people who have nothing to do with us, it creates new resisters; by doing that, the state that believes itself to be great is reduced to playing the part of irregulars against villages of 1,000 inhabitants.

LIBERATION: What do you expect next?

Mohamed Saad: A twofold escalation. Before the "iron hand", we were launching three or four operations per day. Now we are going to launch 10 or 11. This morning for the first time we used long-range mortars and rockets in our attacks (This information was confirmed for me by a reliable independent source--Editor's Note). This is only a beginning. The next short period of time will tell whether or not Israel will succeed in attaining its objectives.

LEBANON

BRIEFS

BANK OF LEBANON LOANS--State loans from the Bank of Lebanon rose from 5,307,000,000 Lebanese pounds by the end of 1983 to 11,635,000,000 pounds by the end of 1984, i.e., an increase of 6,328,000,000 pounds or 119.24 percent. This rise in state loans from the Bank of Lebanon is a record rise since such loans started in 1977. The total sum of loans advanced to the state in 1984 amounts to 47.1 percent of the bank's total assets and will rise to 64.7 percent if the state uses all the loans it is entitled to obtain, that is, an amount of 16 billion Lebanese pounds. [Text]  
[Paris AL-MUSTAQBAL in Arabic 26 Jan 85 p 35] 8494

CSO: 4404/217

AFGHANISTAN

BRIEFS

AFGHAN GENERAL WOUNDED--ISLAMABAD, Thurs.--An Afghan army general was wounded and several of his men were killed in a guerrilla attack in Afghanistan's eastern province of Paktia, two Afghan refugee news services reported today. The Afghan Islamic Press (AIP) and Afghan Information and Documentation Centre (AIDC) run by Afghan exiles in Pakistan identified the officer as Major-General Mohammad Amin Hakim who they said commanded the Afghan army's 14th division. Hakim was injured when the guerrillas attacked his troops in the Mangal area of eastern Paktia on Sunday and Monday, AIP said. Afghan resistance sources have reported large movements of Soviet and Afghan troops to Paktia in the last few weeks. [Text] [Kuching THE BORNEO POST in English 1 Feb 85 p 4]

CSO: 4600/325

INDIA

NTR TALKS ABOUT PLANS FOR 'BHARAT DESHAM' PARTY

Calcutta RAVIVAR in Hindi 27 Jan - 2 Feb 85 pp 24-25

[Telugu Desham head N.T. Rama Rao interviewed by Jagmit Uppal in New Delhi; date and place not specified]

[Text] [The landslide victory of the Congress (I) Party in these Lok Sabha [lower house of parliament] elections made a clean sweep of all the opposition parties. Even leaders like Chandra Whekhar, Hemvati-Nandan Bahuguna and Atal Behari Vajpayee were badly defeated. But N.T. Rama Rao's Telegu Desham [also spelled 'Telugu Desam'] party, formed two years earlier, once again proved to Congress (I) that it could not be uprooted so easily. 28 members of the Telegu Desham Party were elected to the Lok Sabha, and they defeated six central ministers of the Congress (I) in Andhra Pradesh. Not only that, the Telegu Desham Party has risen to the distinction of being the main opposition party in parliament. That is why soon after the elections the party president and the chief minister of Andhra Pradesh, N.T. Rama Rao, talked of establishing a 'Bharat Desham' party at the national level, in which he does not wish to seek the support of previous opposition leaders but rather his endeavour was to involve the nation's youth in this new venture and have them elected to political posts at various state levels. Now that his party is the largest opposition group in parliament, N.T. Rama Rao has explicitly instructed his party members that besides Andhra Pradesh, they should bring up the problems of the other states as well in parliament, and in particular, the problems of those Hindi-speaking states where the opposition was completely wiped out. When the first session of the eighth Lok Sabha opened on January 15, Rama Rao had come to Delhi to witness the oath-taking ceremony of his party members and it was then that he spoke with this correspondent. Here are a few excerpts:]

[Question] After the creation of Telegu Desham, what is the reason now for forming a 'Bharat Desham' Party?

[Answer] The reason for forming a 'Bharat Desham' Party is merely that we want to establish unity in this great nation by recourse to a firm resolve of unity within the political field.

[Question] When did you decide to create 'Bharat Desham'?

[Answer] I had this idea in mind for quite some time now. When we formed Telegu Desham, I had the idea that such a party could also be established at an all-India level. In those days, enthusiastic political supporters of Telegu Desham from other states talked to me of forming a 'Bharat Desham' Party. When we came to power, some enthusiastic politicians approached me to discuss our policies, so I had already conceived the notion of a 'Bharat Desham' Party. Now after the elections, it appears to me that if the opposition parties were to form a coalition on a national level, only then would they be in a position to seriously challenge the Congress (I). In view of this I have initiated talks of forming Bharat Desham.

[Question] But if you had already formulated the idea of a 'Bharat Desham' party a while ago, why did you not disclose your intentions earlier? Why did you wait until after the elections to make such an announcement?

[Answer] It is true that I made this announcement only after the elections; the reason being that I was waiting to know the results of the elections. Now it is apparent that unity amongst the present opposition parties is rather difficult, so I thought it fit to make this announcement.

[Question] How will you set in motion your resolve to form the 'Bharat Desham' party?

[Answer] I want to include totally new people in the party policies - those who are educated, who have the courage to think about the country and who can devote their time to the nation and the party. In other words, I am looking for those young people who can devote themselves to the cause of the country. They should neither be enticed by rank or power, nor should they harbor any complex. They should be able to promise a 'clean' and uncorrupt government to the people and at the same time dedicate themselves to uplifting the poor and downtrodden sections of society. If this is accomplished, and the leaders of each and every state are unified in their resolve then the objectives of 'Bharat Desham' will be fulfilled and in this way the country will be able to maintain its unity.

[Question] But what do you have to say in regard to the present opposition parties?

[Answer] I regret to say that all the opposition parties failed to win the confidence of the people. The results of this election have made this even more apparent.

[Question] But what do you have to say about the leaders of these parties who have had considerable political experience?

[Answer] I do not wish to dispute their competence or power, but they did not achieve the results that they had expected.

[Question] What is the reason for the failure of the opposition parties?

[Answer] I have nothing to say except one small comment, and that is, they were unable to gain the confidence of the people.

[Question] Do you think that by making an issue of the unity and oneness in the country the Congress (I) had an upper hand in the elections and was thus able to sway the people in its favor?

[Answer] I have to concede that since the people saw no real opposition to the Congress (I), they had no choice but to vote for them, and thus the opposition parties were wiped out.

[Question] But do you also believe that there is a real danger to the country's unity and oneness as proclaimed by the Congress (I) during the elections?

[Answer] This was merely an election propaganda on the part of the Congress (I). Every man in India is interested and concerned about the nation's unity. Whether he be rich or poor, literate or illiterate, everyone desires the country's unity' no one wants the country to be divided.

[Question] You have been trying to achieve unity among the opposition parties for the past year and a half, and you even initiated talks in Vijayawada where you had summoned all the opposition leaders. Up until the election results were announced you continued to pursue this venture, but in spite of everything you were not able to achieve unity among the opposition parties. What is the reason for this?

[Answer] In this context I also want to say that till the very end the opposition parties squabbled over the distribution of seats, and could not reach an agreement as to how they could challenge the Congress (I). That is why even the electorate was left in doubt and the opposition parties were wiped out in the elections.

[Question] Do you feel that the lack of consensus amongst the opposition was due to a few opposition leaders; could you name anyone?

[Answer] I do not wish to name anyone without due cause.

[Question] Even after this episode will you strive for opposition unity in the legislative assembly elections?

[Answer] I cannot even think of it. I will not waste my time anymore. That is why I have put forth the idea of Bharat Desham. Whosoever has faith in a 'clean politics' can join this cause, so that we can challenge Congress (I) in a unified fashion.

[Question] Do you feel that the position of the opposition will improve in the forthcoming assembly elections?



[Answer] I am not very optimistic in this regard. Yes, the outcome in the different states could vary, but without opposition unity I do not foresee any favorable results.

[Question] During the elections Congress (I) had made an issue of the Punjab situation to win support. Do you feel that now the Punjab issue will be resolved?

[Answer] I do not wish to say anything in this regard, as Prime Minister Rajiv Gandhi has already taken steps to resolve the problem.

[Question] Do you also feel that provisions of the Anandpur Sahaeb Resolution are anti-nationalistic?

[Answer] I have not read the Resolution, hence I cannot say anything about it.

[Question] Tell me, will the Parliament members [M.P.] of your party members play a role in the formation of parties along the lines of Telegu Desham in other states?

[Answer] At this point in time I cannot unequivocally answer your question. However, every Parliament member belonging to my party has been delegated responsibility of one state and has been instructed to make a serious study of the problems of that particular state. In this manner, the party M.P.'s will also come in contact with the people of that state, and it is possible that in the future a new team of young people, will rise in each state who will pose a direct challenge to Congress (I).

[Question] You have distributed responsibilities among your party M.P.'s in a manner similar to the distribution of portfolios among the ministers of the central cabinet. Could you call this a 'shadow cabinet'?

[Answer] It is a misnomer to call it a 'shadow cabinet'. Yes, it is true that each party M.P. has been put in charge of a particular area. The prime reason for this is for them to acquire an in-depth knowledge of the issue at hand so that whenever the need arises in parliament, they can speak out on those topics.

[Question] How will these party M.P.'s acquire a comprehensive knowledge of the topics assigned to them?

[Answer] For this purpose we are creating a panel of experts from each field who will be of assistance to our party M.P.'s.

[Question] What do you have to say in regard to relations between the states and the central government?

[Answer] It is clear that in this democratic nation of ours the center should mete out equal treatment to all the states, notwithstanding which party is in power in which state, and if this does not happen there would be a fight for justice.

[Question] What is your view of Prime Minister Rajiv Gandhi? Do you think he will be successful in fulfilling the hopes of the people who voted him and his party to power?

[Answer] It is too early to say anything in this regard, but I do say that he will have our full support in whatever he does for the progress of the nation.

12398

CSO: 4624/9

INDIA

#### BRIEFS

MILITANT SIKH SAID CARRYING CURRENCY--Remember that story about the Indian Sikh militant leader who arrived in Manila and was reportedly "deported" before even his lawyer could talk to him? Well, it seems the story hasn't ended yet. Two English barristers arrived in Manila recently and conferred with the Sikh's lawyer, Antonio Coronel. The barristers reported that a companion of the Sikh had said that the missing Sikh was carrying 20,000 English pounds as well as two attache case full of US dollars--the funds of the militant Sikh International Youth Movement. Perhaps Lt. General Fidel Ramos, acting chief of staff and Brigadier General Victor Natividad should ask the Metrocom men who arrested and detained the Sikh if they happened to notice all that cash lying around when they detained the Sikh. The questions need to be asked now, before the international press and Sikh communities start asking the questions themselves. [Luis D. Beltran] [Excerpt] [Quezon City VERITAS in English 3 Feb 85 p 9]

CSO: 4600/338

IRAN

SAUDI MONARCH BLASTED FOR VISITING 'HOUSE OF SATAN'

Tehran TEHRAN TIMES in English 21 Feb 85 p 2

[Text]

WHILE Arafat commits obvious treason by embracing the Jordanian Monarch, murderer of thousands of Palestinians, Fahd, Monarch of an Islamic country, who considers himself the custodian of the House of God (the Holy Ka'aba) kisses the forehead of the Great Satan. These painful scenes, which in fact are two sides of the same coin, take place while Palestinian Moslems and other Arabs demand revenge against Hossein of Jordan and the realization of the sacred Palestinian rights, while world Moslems stone Satan every year in Hajj ceremonies.

The ugly deeds of the King of Saudi Arabia and some other leaders of Islamic countries were justified to the deprived Moslem masses by a barrage of propaganda. However nothing can justify the servitude of a Moslem country's leader to the Great Satan.

To whom can the Moslems of the world complain when one who claims to be the custodian of the Holy Ka'aba goes to the Leader of the Unbelievers and to a country which is the source of all the problems of Middle East and the world, in order to solve the problems of the Moslems? And does this, instead of relying on the one billion committed Moslems, and their vast economic and political powers?

How many Moslem countries has Mr. Fahd travelled to in order to solve the problems of Moslems? How are the Moslems expected to believe that the purchase of billions of dollars worth of military weapons is for the defense of Islam, while the AWACS and other modern weapons already bought are being used against the innocent people of Iran, and in favor of the infidel Saddam? And this while not a single bullet has been fired at the perennial enemy of the Moslems and the oppressed, i.e. Israel.

Of course, since providing the devourers with 10 million barrels of oil a day, as a result of cutting the oil flow from Iran, hosting tens of thousands of American agents in the House of Moslems, preventing anti-Israel and anti-U.S. slogans from being chanted during Hajj ceremonies, condescending to the Zionist enemy, and wasting away the capital of Moslems are all considered revolutionary and Islamic acts, naturally going to the seat of the unbelievers and kissing their hands too will be looked upon as a great service to Islam.

Has Mr Fahd studied the history of Islam at the time when the Holy Prophet of Islam (SAW) sent simple Arabs with messages to the Emperors of Iran, Rome and Ethiopia?

Whatever the purpose of Fahd's trip to the U.S., whether it is purchase of weapons, peace talks with the Zionist enemy, or the preservation of the corrupt Iraqi regime, will the people of Saudi Arabia believe that Islamic injunctions are being implemented in their country when they see Mr. Fahd at parties with women in un-Islamic attires on television, and see him dining along the infidels?

And is there a guarantee that the Shah of Saudi Arabia will not travel eventually to Israel in order to solve the problems of the Moslems?

CSO: 4600/327

IRAN

# MONTAZERI CALLS FOR COMPILATION OF JUDICIAL LAWS

Tehran KEYHAN in Persian 30 Jan 85 p 3

[Text] Qom - Heads of Supreme Court branches, accompanied by Karimi, the judge of the Judicial Disciplinary Court, met with Ayatollah Al-O'zama Montazeri.

The meeting began with the delivery of a report on the work of the Supreme Court branches and their difficulties related to the unclarity of the legal limit for punishment of some crimes and related issues. Then Ayatollah Al-O'zama Montazeri, while praising the learned gentlemen from the Supreme Court, stated: It is a fact that there are books and traditions which mention the basic principles and canon law roots of the penal, civil and even economic laws of Islam. However, because our learned community of jurisprudents have been kept away from the issue of government and the administration of the people's affairs, we still have not clearly stipulated and compiled these laws.

He stressed: When we closely study all the chapters and books of the jurisprudence from beginning to end we see that the foundation of Islam's commands and instructions was the issue of government and the imamate, meaning that the religious commands were set forth in such a way as to be the foundation of a sacred path based on society's need for a correct and strong Islamic government. This was given thorough attention in expounding the laws.

One observes nonetheless that the books of our jurisprudence unfortunately give less attention to the compilation and description of these laws which are directly tied to the government and management of the country and society. The basic reason for this is that from the first they created circumstances so as not to allow the Islamic government to remain on its basic and true path. After the early period of Islam the government gradually took another path. Afterwards, that is to say lately, the enemies of Islam have brought forth circumstances so that Islam's clergy and jurisprudents could not think about the sovereignty of Islam and the organization of Islamic government. Thus automatically this important matter, which is the very foundation of the commands and laws in the sacred law, has been forgotten in Islamic society, and as a matter of course the economic, penal and civil laws relating to it have been ignored.

Ayatollah Al-O'zama Montazeri stressed: Today as a result of the victory of the Islamic revolution in Iran, conditions have changed and the opportunity to organize and found an Islamic government in its true and correct meaning and to implement the divine instructions and laws in society has been created. It is the responsibility of the learned gentlemen from our theological schools to form scholarly Komitehs. Thus they can derive these laws from the text of the Koran and the traditions of the virtuous imam's. These laws affect the entire public and we are asked about them daily both at home and abroad. He noted: It is appropriate to make use of committed and literate judges from the Ministry of Justice who have a good understanding of the method of writing laws to prepare the country's judicial laws. Ayatollah Al-O'zama Montazeri added: Naturally this work will be accompanied from the start with flaws. But one must not despair. Any task at its beginning is accompanied by flaws. I am certain that if strong Komitehs are formed from learned men aware of the day's political and social problems in cooperation with committed men who are not clerics but have worked with issues of Islamic justice, politics or economy, and if group observations and gossip about so-and-so and his political line are not brought up, they will certainly achieve good results in the compilation of laws involving the Islamic republic in various sectors, including important judicial and court matters.

According to the report, Hojjat ol-Eslam Jami, the imam's representative and Abadan's Friday prayer leader, and Bostanabad's Friday prayer leader met and spoke separately with Ayatollah Al O'zama Montazeri.

9597

CSO: 4640/362

IRAN

#### LACK OF COORDINATION BETWEEN MINISTRIES, PROVINCES DISCUSSED

Tehran BURS in Persian 1 Jan 85 p 4

[Text] A meeting of development deputies from provincial governor-generals' offices with Eng Hendi, the deputy prime minister for development and Majdara, the deputy minister of the interior for development, and several other deputy ministers for development concluded yesterday after issuing a declaration from the Ministry of the Interior. According to the report from IRNA's correspondent, the seminar began with a recitation from the glorious Koran and speeches by the deputy minister of the interior for development and Eng Hendi concerning the goals and results of the meeting. The governor-generals' developmental deputies then raised the problems and difficulties of their provinces, and the deputy ministers then answered their questions.

According to this report, the provincial deputies from Esfahan, Tehran, Bushehr, Chaharmahal va Bakhtiari, and Yazd pointed to the lack of coordination between the Ministries of Industry, Heavy Industries, Mines and Metals, Agriculture, Reconstruction Crusade and Energy. They requested fundamental actions in the areas of drinking water for the cities and preventing increased migration to the provincial centers. We must ask officials about our shortage problem, for why has the population of Tehran, which was 5.5 million in 1982, increased so that it is now 7.5 million?

Today we are giving the people in Tehran water from Karaj and Lar, and tomorrow we will be compelled to bring them water from Taleqan.

He pointed to the uncontrolled growth of Tehran and the lack of protection of water resources, and said: About 17,000 shallow wells have been drilled since the Islamic revolution.

The provincial developmental deputies then raised the agricultural problems of their provinces. Jamali, deputy minister of agriculture here pointed out the transformation of fields into orchards. In regards to the shortage of veterinarians, an issue raised by the provincial developmental deputies, he pointed to the overall shortage of veterinarians in Iran, and added: In Tehran Province, perhaps some of the livestock ranches possess a private veterinarian, while in the entire province of Kohkiluyeh and Boyer Ahmad we perhaps have no more than two veterinarians. In regards to the insufficiencies of the



Reconstruction Ministry, Mohtashami, deputy minister, pointed to its low budget, and said: We have in Iran about 90,000 villages, of which only about 55,000 meet a planning minimum. Of this number 15,000 have been electrified. We need 180,000 kilometers of rural road, of which only 35,000 kilometers have been built. The crusade's annual budget permits the construction of about 780 kilometers, which is a long way from the needed 180,000. Eng Hendi, deputy prime minister for development, pointed to the removal of deprivation, and said: Indicators show that the number of deprived points in our 8 deprived provinces has increased to 41. Sistan va Baluchestan, with 6 deprived city-regions, is Iran's most deprived province.

The report by IRNA's correspondent states that the problem of fixing a single price for mine production was raised in the meeting and that the two-day meeting of provincial developmental deputies then concluded its work by issuing a resolution.

9597

CSO: 4640/304

IRAN

#### ALUMEX PLANT OUTPUT UP 150 PERCENT

Tehran BURS in Persian 24 Dec 84 p 5

[Text] Through the efforts of the committed, Muslim employees of the Gilan Alumex Factory which is affiliated with the Oppressed Foundation, production has increased 150 percent in the first 9 months of this year compared to the same period last year.

In an interview with an IRNA reporter, the managing director of the Alumex Factory, which produces aluminum extrusions and is affiliated with the Oppressed Foundation, announced: During the first 9 months of this year, through the efforts of the factory's employees, an average of 14 tons a day has been produced and a total of 2,000 tons of extruded aluminum has been produced and put on the market. Compared to the same period last year, this amount shows a 150 percent increase and equals the total production of the factory last year.

It is predicted that the production of extruded aluminum will increase to 2,800 tons if the raw materials needed by the production equipment are supplied on time. Concerning other actions to expand the factory, the official noted: According to plans drawn up, we will build molds needed in production which have a basic role in increasing production. We will also build an electronic scale to weigh products and raw materials. These projects will be implemented next year with the allocation of the necessary credits. He added: 30,000,000 rials of credit were spent to install a 780-kilowatt generator. Installation is finished and the generator will go into operation.

9597

CSO: 4640/303

IRAN

## RECONSTRUCTION PROJECTS IMPLEMENTED IN VARIOUS CITIES

Tehran BURS in Persian 25 Dec 84 p 5

[Text] Through the efforts of the Reconstruction Crusade in Bojnurd and Jajarom construction on two bath houses containing three single unit showers and three twin showers was completed in the villages of Qamiteh and Rabat Qarah Bil on the outskirts of Jajarom. The baths will be used by 180 village families. According to the report of the Khorasan Province Rural News Komiteh, approximately 8 million rials were expended on these two projects which were completed through the assistance of the people and the Reconstruction Crusade.

Through the devoted efforts of the Nishapur reconstruction crusade's electrification Komiteh, the village of Kalatah Mohammadian on the outskirts of Sarulan in Nishapur gained electricity. Yesterday 25 village families began using the electricity. This project cost 1,463,000 rials from the Reconstruction Crusade credits. The residents also lent their assistance.

In an effort to increase agricultural water, operations to concretize a holding tank in the village of Rignan on the outskirts of Bashrubeh-Ferdows were completed and the project went into operation yesterday. This project was carried out by the Reconstruction Crusade's agricultural Komiteh in Bashrubeh. The project cost 700,000 rials and will increase agricultural water by 30 percent.

By expending 10 million rials of crusade credits and with the cooperation of local residents, the Fars Reconstruction Crusade's Irrigation Komiteh has completed a project carrying water to the village of Zangiabad on the outskirts of Shiraz. Seven hundred rural families will enjoy the safe drinking water it provides.

By expenditure of 6 million rials, the Fasa Reconstruction Crusade has completed operations to construct a sanitary bath in the village of Aksarabad in the Qarah-Balagh section of this city-region. The bath will be used by 400 rural families. The bath was constructed on an area of 250 square meters and has a foundation of 158 square meters. It is equipped with two showers and sanitary facilities. According to this report, in addition to the 250,000 rials supplies to construct the bath, the village residents cooperated in carrying out the construction operations. Yesterday a water transport project for the village of Allahabad on the outskirts of the center section of the Shirvan city-region was completed. The project cost 3 million rials. Forty-five village families will enjoy safe drinking water.

4 April 1985

IRAN

## OVER 130 RECONSTRUCTION PROJECTS IMPLEMENTED IN WEST AZARBAYJAN

Tehran BURS in Persian 24 Dec 84 p 5

[Text] Nearly 2.4 billion rials of credit are planned for the West Azarbayjan General Office of Housing and Urban Construction to implement and complete urban development plans, the reconstruction of facilities and developmental plans in the war-struck regions of West Azarbayjan Province during the current year. The money will come from provincial and national development credits and war zone reconstruction credits. So far all the announced appropriated credits are being used to implement 136 plans. In an interview with IRNA, the general manager of West Azarbayjan housing and urban development announced the above facts and added: 880 million rials from national plan credits are being used during the current year to complete a housing complex in Khoy City-region. Two hundred fifty million rials of credit are being spent to build 25 units of low-cost housing in the city of Shavat. Seventy-two million rials are being spent to build 14 organizational housing units in Qarah Ziaeddin. Twenty-five million rials are being spent to build 52 housing units for the families of martyrs and 104 million rials to complete guest housing in Maku and Salmas. A total of 95 million rials is being spent to build 10 organizational housing units in Khoy. Forty gendarmarie organizational housing units in Orumiyah have been completed and put in use through an expenditure of 30 million rials. At the same time national plan credits toalling 50 million rials were septn to build the Orumiyah beltway. Two hundred fifty million rials were expended to complete 111 housing units in the Aras mini-city. Furthermore, construction is continuing on 100 low-cost housing units in Naqadeh and 155 houses for the families of martyrs throughout the province.

9597

CSO: 4640/303

IRAN

# BANDAR 'ABBAS LIQUID GAS FACILITIES TO BECOME OPERATIONAL SOON

Tehran BURS in Persian 30 Dec 84 p 2

[Text] Through the efforts of the National Iranian Gas Company's employees, the huge liquid gas storage facility in Bandar 'Abbas will become operational during the current year. Thus the shortage of natural gas in the provinces of Hormozegan, Bushehr, Sistan va Baluchestan and Fars will be eliminated.

In an interview with IRNA's correspondent, the director of operations of the National Iranian Gas Company announced the news above, and said: The war that Iraq imposed on the Islamic republic caused a shortage of gas in Abadan and Bushehr and the government of the Islamic republic took steps to import this fuel from abroad in order to supply the gas needed by its beloved citizens. In order to prevent transportation costs and problems arising from the imposed war, the government decided to build the first phase of a liquid gas storage facility in Bandar 'Abbas. This facility, which cost 200 million rials and has a 600-ton capacity, went into operation last year, and the bottlenecks existing in liquid gas distribution were solved to a degree. He said: Furthermore, to relieve the liquid gas problem in the provinces of Hormozegan, Bushehr, Fars, Kerman and Sistan va Baluchestan, operations are now underway for the second phase of liquid gas storage facilities, which will cost 800 million rials. So far 80 percent of the construction has been completed, and it is hoped that by the end of the current year this facility will also become operational. In this case imports of gas from abroad will cease. Pointing out that using the country's natural gas is the most economical way to supply heat energy, he said: According to planning that has been carried out, there are more than 400 projects both big and small, including installing a network, building a pipeline, and the collection and refining of gas. By putting the abovementioned plans and facilities into operation, God willing, we will have absolutely no liquid gas problem anywhere in the country by the end of next year.

9597

CSO: 4640/304

IRAN

## ARDESTAN VILLAGES DEPRIVED OF ELECTRICITY, WATER

Tehran KEYHAN in Persian 21 Jan 85 p 3

[Text] Ardestan: KEYHAN reporter--A meeting of the Administrative Council of Ardestan was held to review the problems of the city. In attendance were Esfahan Bank's deputy governor general for political affairs assigned to this city's governor's office, Ketabchi, the governor, Hojjat ol-Eslam Mohammad Baqer Shari'ati, the Friday Imam and Yahya Soltani, Majlis deputy for the people of Ardestan.

At this meeting, in the course of a commentary on some Koranic verses, the Friday Imam asked officials in the government offices to act more benevolently toward the members of the public who have business with the officials, not to be so eager to find faults, and to try as much as possible, to conceal the individuals' faults.

Then, Ketabchi, the city governor of Ardestan, made some brief remarks. Later on, Hojjat ol-Eslam, Soltani, the Majlis deputy for the people of Ardestan made certain remarks concerning the needs of his constituency in the areas of medical affairs--in particular the creation of a maternity facility, making operational the 50-bed hospital of Ardestan, the construction of which has been left partially completed for 3 years, the problem of roads, especially roads in the rural areas, the various problems of the cattlemen and farmers and the fact that 80 percent of the rural people of Ardestan are deprived access to the citywide network of electricity, sufficient drinking water and other necessities. He asked the governor general's office of Esfahan to take immediate action to fulfill these requests.

Then the deputy governor general of Esfahan for political affairs welcomed the participants, enumerated the factors responsible for the existing problems and shortages from the government's vantage point and remarked, "The people accept the difficulties, but they do not accept discrimination. They are never willing to see 'connections' take precedence over guidelines. The officials of the government bureaus must strive to establish administrative order and justice, and they must not avenge upon others the discomforts they suffer as a result of illogical encounters by some members of the public who refer to them." Later, delivering some detailed remarks on the budget

deficits for development and renovation of cities, he continued, "This spirit of cooperation and harmony existing among the bureau administrators of Ardestan, the governor's office and other existing institutions--the likes of which are not frequently found in the other cities--is a great source of good fortune. In conclusion, the bureau administrators explained their problems and inadequacies.

12811

CSO: 4640/348

IRAN

# MINISTER DESCRIBES FUTURE AGRICULTURAL PROJECTS

Tehran KEYHAN in Persian 30 Jan 85 p 17

[Text] Dr 'Abbas'ali Zali, the minister of agriculture, described the actions taken by the ministry in various sectors to press and mass media representatives at a press and radio-television conference yesterday.

At the beginning, while extending congratulations on the occasion of the anniversary of the Ten Days of Dawn, he stated: During the current agricultural year, the Ministry of Agriculture was active in implementing plans concerning various crops and also in other sectors including stock raising, fishing and farming. Among these activities was a movement that we made last year connected with eliminating some problems relating to the production of basic crops such as wheat, rice and cotton. God be praised, it had relatively good effects.

In the area of cotton cultivation, we made efforts to provide services to cotton farmers, to supply and prepare seed and fertilizer, and also to speed up and coordinate steps towards repelling blights and conserving on costs for insecticides, etc. At the beginning of the agricultural year, despite the fact that we were faced with a drought, the production of cotton and rice exceeded that of last year, through the grace of God. Although last year wheat was not planted in many regions or the crop was not harvested, the situation improved through the rains which we had in late March such that the level of our production was not less than last year's. Furthermore, more wheat was purchased from farmers during the current year than in previous years through the incentive that the government created for the sale of wheat. Of course there were problems in the area of the method of distributing prizes. These problems have been studied and by next year we will be able to deal with the issue in a better way. In regards to rice and cotton, problems developed in the area of cotton sales and the high figures of the rice harvest. Farmers were hurt from this angle. Of course we are considering solutions for next year which, God willing, will have results and farmers will not have this problem anymore. As for sugar beets, we had a decline of production during the current year due to the heavy costs for growing and harvesting this crop. In this regard a plan is under study which, God willing, will solve this problem next year.

Concerning fodder and pasturage connected with the country's stock raising, the minister of agriculture said: Our effort was to expand the cultivation of fodder. Positive steps were taken to revitalize pasturage. We also expanded the



cultivation of water fodder. Coming to the cultivation of corn and clover, we had very good results. Effective steps were taken to expand pasturage in regions such as Khuzestan, Gonbad and Gorgan.

Furthermore the plan to change low yield dry land into the cultivation of fodder had good results in some regions. The simultaneous planting of alfalfa and one-year cereal crops can have good results in dry lands. In regard to the obscurity surrounding land ownership which was in dispute before, there has been an effort to support in every way the farmers and persons that are working the land and to put the necessary resources at their disposal. He added: In connection with the fisheries issue, we are making the greatest possible use of the private sector, fishermen, fishery cooperatives and popular forces. In this regard the people themselves and the fishermen have the primary responsibility. If persons take steps to invest capital in the purchase of a fishing boat for the southern sea, the Ministry of Agriculture will do its best to place the necessary resources at their disposal. Dr Zali said: Promotion and training have an extremely important role in agricultural plans. During the current year we tried to take steps in this area and we have had positive movements. However, I believe that work must go forward on a broader scale in this area. He added: In regard to the export of agricultural production, first steps were taken to provide room for the expansion of exports, and next year the effects of these steps will become apparent. The most important issue here is packaging and the following of standards which must be done with great precision and attention. We believe that the sole path for the country's economic expansion is greater attention to agriculture. We hope that in the future agriculture will be the axis of the country's economic expansion. It is in light of the importance of agriculture that the government is welcoming capital investment in the agricultural land to persons. We hope that this problem will soon be solved. Answering the question concerning the separation of duties between the Ministries of Agriculture and Reconstruction Crusade, the minister of agriculture said: In light of the problems that the country's agriculture has and the great amount of work that exists, the scope of work is vast. Thus we can utilize all the forces through coordination in a specific framework. This has been stated in the first article of the documents separating the duties of the two ministries. These regulations stipulate that all programs will be implemented following confirmation and approval by the Ministry of Agriculture. Therefore the cooperation and coordination that will be created in the provinces will define the method of cooperation in each area.

In conclusion Dr. Zali pointed to the importance of precise planning in agriculture and said: One of the problems in agricultural planning is that we do not have precise statistics and information concerning the country's agricultural problems. Therefore the president recently gave the necessary instructions concerning census taking to the Iran Statistics Center. The Iran Statistics Center has made this census work an element of its plan for the 1985-86 year, which we hope will solve this problem.

IRAN

# MINISTER EXPLAINS HOUSING PROBLEMS, PROJECTS TO MAJLIS

Tehran KEYHAN in Persian 30 Jan 85 pp 18, 19

[Excerpts] At the end of yesterday's session Sarrajeddin Kazeruni, the minister of housing and urban development, gave a report to the Majlis on the accomplishments of his ministry and its plans, and said:

During the last few years the housing problem was dealt with so locally that the problem was and is treated as a happenstance in our society. We need long-term planning for housing and we need to rely on the basic principles in which this system believes, and also on the slogans that this system has, which chiefly start with independence. It is from here that we must begin planning.

The expectations for housing in our society today are chiefly based on gaining ownership of land and housing for the short-term. This problem and this viewpoint matured very quickly in our society after the victory of the Islamic revolution, and during this period this viewpoint has been continuously raised.

In the statistics which we have from last month concerning housing, the Army of the Islamic republic needs housing for 122,000 persons, workers cooperatives need housing for 240,000 persons and government employees need housing for 1,000,000 families. To make the magnitude of this housing need tangible, it is not a bad idea to point here to our resources. Meaning that our maximum production of housing in Iranian history was in March 1980 - March 1981. After the two years of economic stagnation from March 1978 to March 1980, those who had the capability once again started up activity in construction in March 1980 - March 1981. The activities of the Islamic revolution institutions reached their peak in this year. The amount of land that was occupied during the three-year period from March 1978 through March 1981 reached its maximum. A portion of the housing planning that was done prior to the revolution was carried out. In the March 1980 - March 1981 year we had the maximum housing production, about 160,000 housing units were built. Of course these 160,000 housing units averaged about 170 meters square, while if we succeed in altering that average, we will be able to build more housing.

Furthermore they have given out the statistics that Iran's natural growth rate is 3.1 percent, and probably this 3.1 percent is more than it possibly can be. If we calculate on this basis, we need to produce about 300,000 housing units a year to answer our population growth.

## Utilization of Labor Force and Banking Sources

The minister of housing added: In order to deal with these limitations and problems, one of our distinct resources is the potential labor force existing in our society. This labor force must be put to work and trained, for it can be active in this sector. In the past the people's financial resources participated extensively in this matter. By eliminating the flaws that we saw in the past, we can now use these resources. Another thing that must enter the scene in this sector is banking resources. The abilities of the organs involved in housing, such as the Islamic Revolution Housing Foundation, can be used to supply methods and clear instructions and to organize these organs. Thus these capabilities can be raised. We have some other potential resources at our disposal, including the numerous mini-cities which were stopped after the victory of the Islamic revolution. They can be put to use once again and we are now preparing to do so.

Factories can also participate extensively in housing production. They exist in Tehran and other cities such as Esfahan, Rasht and Tabriz. Pre-fabricated factories also exist which can produce vast amounts of construction materials. It is essential that we use all these resources.

## Planning for Housing Supply

The minister of housing and urban development then pointed to the Ministry of Housing and Urban Development's planning for the supply of housing, and said: In light of general policies, the first thing needed to do housing planning was to lay down policies. In order to lay down policies, meetings were held in which nine cabinet ministers participated. In these meetings there were discussions of housing policies in general and of the means of expanding Tehran in particular. Items that were raised there were approved.

In light of these policies, we needed to alter some laws, regulations, executive regulations and directives. The chief alteration was in the Urban Land executive regulations, which was carried out and approved by the cabinet. On the basis of the changes in the executive regulation these results can be obtained: First, the administrative links to own and cede land have been simplified so that the Urban Lands Organization can assume ownership more quickly and also cede land more quickly.

It is stipulated that in all Iranian cities, all lands which pertain to services, such as construction of schools, hospitals and parks and every piece of land needed for services, will be turned over without cost to the agencies concerned if the land is fallow and barren. The new executive regulations purpose that we refrain to the extent possible from developing mini-cities that are purely bedroom communities, and that all the mini-cities near large cities that have been created or are being created should possess a productive aspect and emerge from their bedroom-community status.

Furthermore we should refrain from developing complexes that have a trade character. We must try to house people in composite communities, in the cities and even in the mini-city units.

## Eliminating Time Restrictions on Building

The new executive regulations intend to separate the land problem from the housing problem for the time being. Persons who own land will in any case be able to plan to produce housing for themselves. For this reason we removed the time limitation that has existed according to which anyone who got land was obliged to build on it within 6 months at the maximum. Of course the time period we set varies from city to city. Here I should add that one of the major symptoms that we observe today comes from this problem that land has been given to someone, and because he was obliged to begin building on it within 4 or 5 months, he sells his household goods in order to at least build something on the land so that the land would not be taken from him.

In light of this fact this restriction has been eliminated. Of course it has been changed from 6 months to a passage of time. The time period will be longer for deprived spots.

At the end of his report the minister of housing and urban development said: We hope that by getting rental housing under way we will be able to partially solve the people's problems, particularly those of the deprived classes. Of course to get this matter under way we need to revise some of the laws, such as the law relating to the owner and the lessee. Other matters will definitely need to be revised in order to safeguard lessees and lessors.

## Sale of Institutional Homes

We have proposed a note which if approved will let us sell a portion of the institutional residential units existing in Tehran. Ninety percent of these houses belong to the army. We can sell them giving first priority to army families. From the money obtained from selling these houses we will be able to build institutional housing in more deprived spots.

The minister of housing added: Legislation has been prepared so that we will have the resources to build and make loans in the villages during the March 1985 - March 1986 year. The first stage of coordination has been carried out with the bank, and we need the approval of the Economic Council. In order that we can improve the situation of each family, an executive regulation concerning the participation of banks in housing has been prepared, whose basic thrust has been approved by the Economic Council. God willing, it can be implemented in 1364. The basic axis for making loans is that we calculate the housing share of each family to be between 20 to 30 percent of its income. For all the families whose income rises, for example, up to 120,000 tuman a year the rate on the money increases and reaches 10 percent, and the repayment period is longer for more deprived classes, about 20 years, and as low as 5 years for persons with higher income.

The open session of the Majlis ended at 1215 hours and the next session will begin tomorrow, Thursday, at 0800 hours.

IRAN

# IMPROPER RATIONING CAUSE OF VARIED PRICES ON GOODS

Tehran KEYHAN in Persian 27 Jan 85 p 17

[Text] In accordance with the decree issued by the Revolutionary Council, every importer can--with the government's supervision and control--sell up to 70 percent of the imported goods whereas for a long time the merchandise distribution centers had not fixed prices for the imported goods, a practice, which is not considered legal by this court. Moreover, the lack of proper implementation in the distribution of the provincial allocations has caused relocation of goods at varying prices by the middlemen and brokers.

In a press and radio-television interview in connection with the campaign against hoarding and charging excessive prices, the distribution situation, the causes for shortages of goods at cooperatives, allocation of goods to the provinces, travelers' purchase passes, official original bill of sale, Hojjat ol-Eslam Azizian, the Shar' magistrate for the trade unions, and Kalhar, the special prosecutor for the trade unions, made certain explanations for the mass media reporters.

According to a report by the economic reporter for KEYHAN, Hojjat ol-Eslam Azizian, the Shar' magistrate for the Special Court for the Trade Unions' Affairs, commenting on the investigation of the serious cases of the profiteers and hoarders stated, "The purpose for this interview is to clarify for the people who produce martyrs some of the facts. We are duty-bound to punish their wrongdoings by even appropriating the assets of such profiteering and opportunistic individuals as we already have done many times. Referring to the excessively high price of some goods in the market place, the Shar' magistrate for the Trade Unions' Affairs said, "Some goods are found at excessive prices at the market place. These goods cannot be found even at the cooperatives and government centers at the government-decreed prices, and the reason for this is that some goods are brought into the country by travellers using customs passes or some goods are brought into the country by Iranian laborers in the Persian Gulf Emirates through the use of the original bill of sale. These goods are subsequently sold by the middlemen and brokers in the free market place. The majority of the shops full of consumer goods are supplied in this manner. Unfortunately, the existence of the travelers' purchase passes has caused many problems for the trade union courts. Many times we have mentioned this and even announced

the specific problems. We believe that the capital which must be allocated for domestic production and in the agriculture field not be used to honor the original bill of sales as the existence of these original bill of sales has given the brokers and the middlemen encouragement. In addition, the lack of proper implementation in the distribution of the provincial allocations and the unevenness of the allocations of some goods in the provinces have caused repeated transport of goods by the middlemen and the brokers at varying prices. Of course, the system of distribution has caused these problems for the society and the courts. If the system of distribution were [word indistinct] on the need of the people, there would be no problem; other than this, it would create many problems. An example would be the wool fabrics which are sent to the Hormezzan Province and distributed there. This distribution is not proper because the people of that region do not need such fabrics at all. And the result is that the wool fabrics are sent by the middlemen and brokers from this province to the cold regions where they are sold sometimes at several times the original price."

The Shar' magistrate for the Special Court for the Tehran Trade Unions added, "In our view, the distribution system is not proper in Tehran either; and when the procedure is not correct, goods are available at the open market. For example, drawings for such goods as automobiles or motorcycles has created a situation which we witness everyday: Motorcycles are sold at a price of 34 thousand Tumans on the open market and the automobile dealerships have ample supplies of brand new automobiles in stock. Therefore, if some goods are declared exempt, many of these problems will be resolved. As there is no longer a problem with rice or if cigarettes were exempt, that problem too would be resolved by itself. As it is, everyday in this courtroom, we see many people who though not smokers consider it their proven right to obtain cigarettes using their coupon books and selling them at the open market."

The Shar' magistrate special to the trade unions affairs referred to the operations of the merchandise distribution center and said, "In accordance with the decree issued by the Revolutionary Council, every importer can--with the government's supervision and control--sell up to 70 percent of the imported goods, but it has been observed that most of the time no selling price was established by these centers for this 70 percent of the merchants' imported goods. Even the goods stayed at warehouses up to one year--a fact which has caused shortages of goods in the market place; and recently the Merchandise Distribution Centers have obtained from merchants the guarantee for 100 percent delivery. This, in the view of the court, is not legal. Therefore, in case this issue is brought up in the Majlis and is brought to the attention of the distinguished deputies and if enacted into law, we can at that time confront them on legal grounds."

The Shar' Magistrate for Trade Union Affairs in Tehran added, "Unfortunately, some profiteers are encouraged by the laws governing the trade unions because they believe that in article 73 of this law, the maximum penalty has been set at \$50,000 and a 1-year prison sentence. In response to these

individuals, we say that if in the aforementioned law there is article 73, there also exists article 85 which clearly empowers the court to use the Shar' laws against the profiteering individuals. Continuing his remarks, the Shar' Magistrate for Trade Union Affairs requested that if the martyr-fostering people who are always alert find a profiteer or a hoarder, they report them to one of 25 branches of the command posts for the judicial police and the Ansarolah patrols of the court and the Islamic Revolution's prosecutor's office for trade unions, in order that necessary actions be taken. Moreover, the Shar' Magistrate served notice on the hoarders and profiteers that if they do not desist from their unlawful acts, they shall be dealt with severely."

The Shar' Magistrate for Trade Union Affairs in Tehran referring to the two-price system for the flour given to the bakers in the country said, "The two-price system for the flour given to bakers in Tehran and the provincial cities has resulted in some problems which ought to be resolved as soon as possible."

At this time, Gholamreza Kalhor, the special prosecutor for the trade union affairs in Tehran said, "Lack of price control in the provincial cities and the existence of price control in Tehran have caused fruit growers to send their produce where the prices are higher, causing the present fruit situation. It is our opinion that either there should be no price control in any of the cities or there ought to be price control in all the cities. The speical prosecutor added that all in charge and the merchants are duty-bound to put price tags on their goods and issue sales tickets. Otherwise, they will be dealt with firmly and in accordance with the law."

The special prosecutor for the trade union affairs in Tehran ending his remarks stated, "Given the present situation, probably some goods will be removed from the rationing list. This in itself is a reflection of the success of the rationing policy."

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CSO: 4640/348

IRAN

## BANK OFFICIAL DISCUSSES DEPOSITS, INTEREST-FREE LOANS

Tehran KEYHAN in Persian 30 Jan 85 p 3

[Text] The volume of the people's deposits in Bank-e Melli-ye Iran on 21 Dec 1984 had reached 2.1 billion rials, which in relation to the figure for 20 March 1979 (689 billion rials) shows a three-fold increase. Furthermore the volume of the bank's transactions on the basis of Islamic contract has reached 138 billion rials so far, of which more than 50 billion rials has gone to interest-free loans. Of this amount 36 billion rials have been spent in various agricultural sectors.

In an interview with KEYHAN's economic correspondent, Ahmad 'Azizi, chairman of the board and managing director of Bank-e Melli-ye Iran, stated these facts. As he continued his statements, he added: According to statistics obtained, 1,000,000 interest-free savings accounts have been opened since the initial implementation of the Profit-free Banking Operations Law through 21 December 1984. The total value of these accounts is 490 billion rials. Of this amount 142 billion rials are in savings accounts and 348 rials are in personal current accounts.

### Short and Long-Term Capital Investment Deposits

Asked what the volume of the people's capital investment deposits were in the bank, 'Azizi, the managing director of Bank-e Melli-ye Iran responded: There are more than 388,000 short-term capital investment accounts, and the value of opened accounts is 170 billion rials. Furthermore there are 59,000 long-term capital investment accounts valued at 157 billion rials. Thus there are total deposits of 327 billion rials, and when taking into account the interest-free deposits, the figure reaches 818 billion rials, which in itself shows how the people welcomed profit-free banking.

Concerning paying prizes to interest-free savings deposit holders, 'Azizi, the managing director of Bank-e Melli-ye Iran, said: We will have a lottery round by the end of the year, and another stage at the beginning of next year up to the summer. During this period the people can come to the bank branches and open an interest-free savings account in order to participate in the lotteries mentioned above. Of course the accounts covered by the lottery are those which have a minimum balance of 500 tuman for a three-month period during this round. Larger prizes also will be allocated to accounts with a higher level of deposits in the bank.



Asked what the situation was concerning the people's deposits in Bank-e Melli-ye Iran compared to pre-revolutionary times, 'Azizi, the managing director of Bank-e Melli-ye Iran, answered: The total wealth of Bank-e Melli-ye Iran on 20 Dec 1984 was 2.1 billion rials, while at the end of last year it was 1,915 billion. On 20 March 1979 it was about 679 billion rials. Thus in comparison, the people's deposits in Bank-e Melli-ye Iran have increased three-fold. This is an indication of the people's trust in the country's banking system.

#### Effects of Implementing the Profit-Free Banking Law

Regarding the effects of implementing the Profit-free Banking Law, 'Azizi, the managing director of Bank-e Melli-ye Iran, said: One of the important effects of implementing the Profit-free Banking Operations Law on the monetary and credit policies which are coordinated with the government's financial policies has been the reduction in the government's costs. As for monetary policies, money is spent in special areas and under the necessary supervision so that money and banking system facilities are utilized particularly in the productive sector. These facilities have thrust the destructive part of the domestic trade market aside and thus have brought about a noticeable decrease in the inflation rate in some cases. Thus in the new law money is utilized for special costs. One instance of a reduction in the inflation rate is the reduction of the gold price on the market. Indeed we have inflation in the country, and although inflation is progressing at a slower speed, we have had price reductions in a great many instances. Last year the market price of gold reached about 55,000 rials, while at the present time its price is about 39,000 rials. One of the effects of implementing the monetary and financial policies, and banking operations without profit in particular, has been reduction in the prices of some goods, which we can say has been about 30 percent in the gold price.

Concerning the distribution of the 'Spring of Freedom' coin, 'Azizi, the managing director of Bank-e Melli-ye Iran, said: Last year about 2 million coins were distributed among government employees and the people. Upon the cabinet's approval, coins will be distributed this year as well.

Regarding the volume of transactions at Bank-e Melli-ye Iran on the basis of Islamic contract, 'Azizi, the bank's managing director, said: The volume of transactions at Bank-e Melli-ye Iran during the March 1984 - March 1985 year shows an increase. Despite controls on the volume of money and the monetary and the fiscal policies which demanded no increase in transactions compared to the previous year, our facilities nevertheless increased and reached the figure of 138 billion rials.

Regarding the volume of interest-free loans made by Bank-e Melli-ye Iran, 'Azizi, the bank's managing director, said: So far the greatest share of the interest-free loans has been for Islamic transactions, about 50 billion rials. This figure can serve as an indicator for judging the law, since we have paid 50 billion rials to various sectors without making a profit. This huge figure, which involves no cost, can positively affect the society's whole economy. Of this amount 36 billion rials were allocated to the agricultural sector. The Agricultural Bank paid the money to the nation's farmers.

IRAN

#### BRIEFS

**MASHHAD RECONSTRUCTION PROJECTS**--The minister of housing and urban development and several ministry deputies inspected construction operations on a mechanized postal service building in Khorasan. According to the report of IRNA's correspondent, the mechanized postal service building in Khorasan will cost 2.5 billion rials to construct, has a 35,000 square meter foundation, and five floors, each floor have a 7,000 square meter area. The building, which has a concrete skeleton, is being built in the Khorasan General Office of Housing and Urban Development. According to the report, 85 percent of the construction operation is already completed and 50 percent of the work on installing its facilities has been done. Allocated credits in the amount of 1.4 billion rials have already been absorbed, and the remainder will be expended gradually. The building will go into use next year. The same report indicates that Eng Kazeruni, minister of housing and urban development, also inspected construction operations on 5 underpasses and the start-up of operations to construct the Unity Superhighway and the beltway. [Text] [Tehran BURS in Persian 16 Dec 84 p 3] 9597

**BIRJAND RECONSTRUCTION PROJECTS**--Through the devoted efforts of the Birjand Reconstruction Crusade and the expenditure of 5,640,000 rials from the organization's agricultural Komiteh's development credits, 14 agricultural water reservoirs and one dike have been built. One thousand six hundred forty-six families residing in 14 villages began using the projects last week. According to the report by the Khorasan Rural News Komiteh, these projects were completed in the villages of Takhtehjan, Arqan, Darreh-ye Charm, Shirak, Jajak, Qask Asij, Nowqand, Kham Asiaban-e Git, 'Asabad, Faruk, Aspid, Dastgerd, 'Aliabad and Sarbisheh in the districts between the Nohbadan and Central city-regions. The dike in the village of Nowqand, which is 80 meters long, 1 meter wide and 2 meters high, was built at a cost of 650 million rials during the same period. It will be utilized by the 137 families residing in the village. [Text] [Tehran BURS in Persian 19 Dec 84 p 3] 9597

**WARNING AGAINST HARSHNESS** - Qom - Heads of Evin and Qazalhasar Prisons, accompanied by Hojjat ol-Eslam Abtahi-Kashani, a member of the Imam's Pardoning Board, long live the imam, met and spoke with Ayatollah al-O'zama Montazeri. In the meeting he pointed to the critical importance of the responsibility held by the Imam's Pardoning Board and the prison chiefs, and thanked the gentlemen and other serving brothers for their activity and feeling of commitment to the issue of prisoners and the development of a suitable environment for contemplation, study and the return of condemned prisoners to the revolution

and the people's ranks. During his speech he pointed to the plot by the mini-groups to exaggerate the numbers of prisoners and to make propaganda use of their simple and deluded supporters, and the extensive efforts of their leaders in the prisons to train simple persons and give them membership. He stressed: Despite the fact that they have taken from us a great many of our dear ones, including my own child, and martyred them, and that during those days of the shah's regime when we were in the same prison with them we suffered much spiritually at their hands, the interests of Islam and the revolution are superior to any of these things, and we must not, God forbid, be possessed by an attitude of revenge. He noted: If persons were once supporters of or affiliated with the mini-groups, then in this case the proof against them and their families is complete, and they will have no further pardon before God and the country's officials. According to the report, Hojjat ol-Eslam Musavi Jazayeri, the imam's representative and Ahvaz Friday prayer leader, Raja'i-Khorasani, UN representative of the Islamic Republic of Iran, Bandargaz's Friday prayer leader, and Qom's police chief met and spoke separately with Ayatollah al-O'zama Montazeri. [Text] [Tehran KEYHAN in Persian 30 Jan 85 p 2] 9597

CSO: 4640/362

PAKISTAN

SIND FORMULATES PLAN FOR AGRO-BASED SMALL INDUSTRIES

Karachi BUSINESS RECORDER in English 7 Mar 85 p 1

[Article by Sabihuddin Ghausi]

[Text]

The Sind Government has taken all necessary steps to absorb Rs.650 million in private investment for setting up of small and agro-industries in the Province during the current Five-Year Plan period ending 1987-88. According to the official sources, a detailed programme has been formulated for private sector investment of Rs.650 million for setting up of small and agro-industries in the Province.

The programme, sources said, would be implemented in phases, envisaging investment of Rs.100 million 1983-84, Rs.100 million in 1984-85, Rs.125 million in 1985-86, Rs.150 million in 1986-87 and Rs.175 million in 1987-88.

They said the Government had fixed provisional projection of Rs.100 million in 1984-85 and Rs.100 million for private investment in the small and agro-industries units in 1984-85 and had now prepared a phased programme for entire five-year plan period.

As for implementation, sources said the approved private investment during July to October 1984 period amounted to Rs.59.825 million which, by all means, was an encouraging response.

ESTATES

The sources said the Government had also formulated an investment plan of about Rs.75 million to develop industrial estates and necessary infrastructure facilities in the Province to absorb private investment.

The Government, sources said, had provided Rs.6.75 million during last fiscal year's budget and has allocated more than Rs.41 million in the current fiscal year while Rs.27 million would be spent in next two years.

They said the Sixth Five-Year Plan projects total a investment of Rs.13,373 million in private sector for setting up of small and agro-industries in the entire country.

The Plan has made separate projections for each of the four provinces where programmes have been formulated to undertake implementation.

The sources said the Government has already offered a number of fiscal incentives to induce investors while substantial investment is being made to develop infrastructure including communications to facilitate marketing of products and inflow of raw material.

They said a high level committee appointed by the Sind Government has also prepared a detailed report to identify specific industries in different parts of the Province keeping in view the availability of raw material and marketing prospects of the products.

PAKISTAN

# MOVE SUPPORTING DOMINANCE OF PUNJABI LANGUAGE CRITICIZED

Rawalpindi TAMEER in Urdu 4 Jan 85 p 2

[Editorial: "Unwise Move"]

[Text] Mr Masud Khadarposh and Mr Fakhruzzaman, a former senator, addressing a press conference the other day, presented a list of demands on behalf of the Punjabi-speaking people. A cursory glance at this list reveals that the people signing it did not seriously consider its implications or they deliberately decided to play this dangerous game, which could deal a crushing blow to national unity. Among the signatories to the demands, the names of some prominent politicians attract one's attention. For example, the names of Mian Mumtaz Daultana, Mian Mahmoud Ali Kasouri, Malik Meraj Khalid, Abdulhafeez Kardar, Dr Mubashir Hasan, C.R. Aslam, Mirza Mohammad Ibrahim, Rao Rasheed, Rana Shaukat Mahmoud, Chaudhri Etiraz Hassan, Syed Afzal Haidar, Sayida Abida Hussain, Maulana Abdullah Alwar, Maulana Gulzar Ahmad Muzahari, Mazhar Ali Khan, Mahnaz Rafie, Tahira Mazhar Ali, Tahira Syed and Brig Sahebzaad Khan are conspicuous. And former Justice Abdul Jabbar Khan, Safdar Mir, Prof Ashfaq Ali, I.A. Rahman and Shafqat Tanweer Mirza men of letters.

There is no doubt that the use of these names is very forceful. The list includes people from all walks of life--the People's Party, the Communist Party, and from Tahrik-e Istiqlal to Jamaat Islami and Jamiatul Ulema-e Islam, everyone is appropriately represented. From this point of view, the signatories have undoubtedly accomplished something significant. But we are certain that the people signing the document have done so merely out of affection and generosity, otherwise in their zeal to obtain for Punjabi its rightful place they would never have demanded that it be declared the national language of Pakistan. One of the demands is that Punjabi be made the medium of instruction and the court language. As a matter of principle, these demands cannot be labeled as wrong or illegal. If a great majority of the people of a province or the inhabitants of a territory demand that their mother tongue be made the medium of instruction, they are quite justified in doing so, and no government can disregard their demand whatever may be the practical difficulties involved in implementing the demand may be because it is the duty of the people placing the demands to take note of such difficulties.) But the demand to make Punjabi the national language instead of a regional language and that 80 percent of all radio and

television programs should be in Punjabi is not only illogical and unreasonable but is also a dangerous precedent from the stand point that other provincial and regional languages will react by making similar demands. If the people of Punjab, who constitute 54 percent of the population of Pakistan, can demand that 80 percent of all programs be broadcast in Punjabi then why cannot the people of Sind, who comprise 30 percent of the total population of Pakistan, demand that 50 percent of the programs be broadcast in Sindhi, and similarly the Baluchi- and Pushto-speaking people also have the equal right to demand that their languages be declared the national language. Before Pakistan was established, it was decided that Urdu would be the national language, particularly because it is not a regional language and is spoken and at least understood all over the country. After the establishment of Pakistan, Quaid-e Azam himself decided to make Urdu the national language of the country, although Urdu did not enjoy the same status in East Pakistan as it did in West Pakistan. At that time, in West Pakistan, particularly in Punjab, the national status for Urdu was stressed so much that Bangla-speaking people had to start a movement against Urdu. Now that there is no such difficulty and now that Urdu not only enjoys the status of a national language officially and practically as well in all the provinces of Pakistan, and the entire nation has also accepted it as such, then movements of this nature can only serve to create a new problem and a new confusion in the country.

9315

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PAKISTAN

AFGHAN REFUGEES IN BALUCHISTAN BRING ECONOMIC, POLITICAL PROBLEMS

Rawalpindi HURMAT in Urdu 7-15 Jan 85 pp 18-20

[Abu Sufyan dispatch: "Afghan Refugees in Baluchistan Camps"]

[Text] Quetta--The Pakistani people and government have helped the Afghan refugees, inspired by the sentiments of Islamic brotherhood and human sympathy, without which such a gigantic task could not be handled. Now, however, things have taken a turn that has created many problems for the people of Baluchistan.

The cause of these problems, which are affecting the local population directly, is that when dealing with the Afghan refugees, we could not, for certain reasons, follow the rules that are strictly followed all over the world when dealing with such problems. In other countries, refugee camps are set away from local population centers and the needs of the refugees are fulfilled within those camps. The refugees are not supposed to leave their camps or mix with the local population. Hence, in other countries having refugee camps involves only the duty of feeding and protecting the refugees. They do not trigger social, political and economic problems for the local population.

Things are different in Pakistan, as it has been impossible to keep the Afghan refugees in the camps. One reason is that the Afghans had relatives in Baluchistan and could not be prevented from going to the towns to visit them. Another reason is that no sustained effort has been made to keep these people in their camps. Hence, Afghan refugees meet no resistance when they leave the camps.

After the Soviet invasion of Afghanistan, the people who came to Pakistan from that country were not all angels. Many of them brought their feuds with them, and they often fought with each other in the camps. Their unrestricted movement in the towns has led to an increase in crime. A study of criminal cases involving the smuggling of narcotics and ammunition shows that most of the culprits are Afghan refugees. More than 30 factories in Afghanistan are producing heroin. The refugees bring heroin and other narcotics from Afghanistan and sell them in Pakistan. Afghan refugees have been found guilty of smuggling arms, ammunition and other items. The influx of Afghans in the country has upset the balance of supply and demand, and

that has led to a rise in prices. Even some very rich Afghans have come to this province and brought their wealth with them. They can buy anything, even at high prices. As a result, prices have climbed and inflation has increased. The common people of Baluchistan are hard hit, since they cannot afford to buy things at the present rate of inflation.

Because Afghan refugees are free to go to the cities, they leave their camps during the day to work in the cities (they work at mending shoes to running shops). A large number of refugees does business in Quetta and other cities. They live in the camps and work in the cities. Since these people charge less than local businessmen, all business is going to them. In Quetta, many transport companies are in the hands of the refugees. They are underselling local businessmen and causing grave economic problems for them. In the beginning, there was no restriction on Afghans buying property in Pakistan, so they bought a lot of property in Quetta and other cities of Baluchistan. Even after a ban was imposed they went on buying property in the name of their relatives. The result is that the price of houses has climbed 100 to 200 percent. An ordinary citizen of Baluchistan cannot buy a house or even rent a shop owing to the inflation; the houses and shops have been rented by the refugees at very high prices.

Rich Afghan refugees have brought with them their large trucks, which can carry more goods than the smaller local trucks. Since their charges are much lower than those of the local businessmen, all the business has gone to them. People prefer Afghani trucks because they carry more goods for less money. Afghan refugees get temporary permits to run their trucks. Doing business is easier for them since they do not have to pay the taxes that are compulsory for the local transporters and businessmen.

The refugees have caused some grave political problems, too. In Baluchistan, the population of the Baluchis and the Pashtoons was almost equal. Because it is an underdeveloped region, it used a system for allotting government jobs, seats in technical colleges and even for seats in the provincial and national assemblies. Baluchis and Pashtoons got 50-50 in everything. But when a large number of Afghans came, most of their camps were placed in Pashtoon regions, and these are now inhabited by more than 600,000 Afghans. In the Baluchi regions, only two camps were established, now inhabited by about 100,000 Afghans. The Baluchi political leaders say that nowhere in the world have refugees ever gone back to their own countries. Hence, they do not expect the Afghans to go back to Afghanistan. As a result of the mistaken policies of the government, many Afghans have obtained Pakistani identity cards and become citizens. They have also procured passports. Those people, say the Baluchi leaders, will become a part of the Pashtoon population and so the balance between the Baluchi and Pashtoon communities will be destroyed. The Baluchis will become a minority compared with the Pashtoons. The Afghans who are doing successful business here will never return to their homeland. The Baluchi leaders are demanding that the Afghan refugees be treated only as refugees and be compelled to stay inside their camps. All their identity cards, they say, should be confiscated, since they got them illegally. They say that the lack of balance between the population of the Baluchis and the Pashtoons will only have unpleasant consequences.



PAKISTAN

IMPLICATIONS OF NEW POLICY THRUSTS ON SUBCONTINENT EXAMINED

Lahore NAWA-I-WAQT in Urdu 10 Jan 85 p 2

[Article by Prof Waris Mir: "What Will Be Rajiv Gandhi's Line of Action?"]

[Excerpt] The policy Rajiv Gandhi's new administration follows to solve its internal problems does not concern Pakistan so long as it does not affect Pakistan's internal situation. For example, just as in the case of Bangladesh, if the Indian Government starts erecting barbed wire and digs trenches along the Punjabi border in order to prevent the Sikhs from crossing the border, then as a matter of principle it does not concern Pakistan. But if the Rajiv administration, exasperated with the difficulties it is facing in Punjab and Kashmir, starts accusing Pakistan, then just as would be the case in India, the possibilities of sowing peaceful political initiatives in Pakistan would become dim as well. Just before the elections, Pakistan's foreign minister had expressed the view that a strong India would be in the interest of Pakistan. At this time, the main problem facing both India and Pakistan in the subcontinent is the crisis in Afghanistan. After Indira Gandhi's death, the increasing warmth expressed by the United States toward India is a clear indication of new ambitions and designs of American policy in this region. If the new leadership in India really portends a new approach, then the United States will try to provide the means to help India's aspirations reach new political horizons. It has been the earnest desire of the United States to see that somehow India and Pakistan pursue identical policies toward realizing the goal of the withdrawal of Soviet forces from Afghanistan. The most critical phase in achieving this objective is that both countries find a way to resolve the Kashmir dispute. During the lifetime of Indira Gandhi, Pakistanis were being advised by American scholars and diplomats to reach an agreement on a reconciliation formula with India over the Kashmir dispute. It is hoped that the United States will speed up its consultative efforts now. It is quite possible that the United States may try to put pressure on Pakistan's stand on Kashmir to achieve a successful conclusion of the nonaggression pact between India and Pakistan. Rajiv Gandhi, taking advantage of the U.S. desire, could try to exploit the supply of arms to Pakistan and the Khalistan issue. It is believed that in the next few months the United States will definitely show flexibility toward India and will make efforts to win it over, and these tactics will certainly give a moment of thought to the military government in Pakistan. But it will be difficult for Pakistan to complain to the United States because it is quite

possible that to slow the pace of extremist Sikh activities, Washington may be forced to help Rajiv. During his coming visit to France and the United States, Rajiv will try to bargain with the West on such issues.

It would be foolish to suppose that Rajiv Gandhi will be ready to harm even slightly the old relations existing between India and the Soviet Union. On the contrary, the Soviet Union, through India's new leadership, could stiffen its demand that Pakistan prove its independence and nonalignment over the Afghanistan issue, and to this end, the Soviet Union, brushing aside diplomatic niceties, could increase aggressive Afghan air raids on the Pak-Afghan border. In other words to bring Pakistan in line with its demands the Soviets could blackmail its [Pakistan's] policies through saboteurs. Such a situation would leave heads as well as tails in India's favor. If it can overawe the United States and Pakistan, so can it wink at the Soviet Union. India has enjoyed this special status right from the beginning and because of such a status has been Moscow's beloved from the start, and the West has become accustomed to putting up with its coquettish airs. Only last month the people of Pakistan, too, watched the television of the common sweetheart of the United States and the Soviet Union. They have been complaining about the cultural attacks of Indian television. The election scenes of the democratic process shown on Pakistani television have enchanted Pakistani viewers so much that they have been cherishing a desire to see these scenes on Pakistani television.

9315

CSO: 4656/72

4 April 1985

PAKISTAN

## PRESIDENTIAL ORDER EXPLAINS QUALIFICATIONS OF SENATE CANDIDATES

Karachi BUSINESS RECORDER in English 7 Mar 85 pp 1, 8

[Text]

ISLAMABAD. March 6: The President has issued today an order which explains the qualification and definition of an "Aalim", technocrat and professional who can contest the elections of the Senate.

"ALIM" means a Muslim scholar with high qualifications in religious education recognised by the University Grants Commission or having specialised knowledge of "Tafseer", "Hadith" and "Fiqh", to his credit and engaged for at least 15 years in dissemination of these subjects either as an "Imam" in a Jamia Mosque or as a teacher or researcher in an educational or research institution or as a practitioner in Islamic law:

"TECHNOCRAT" means a person of nationally or internationally recognised professional competence with at least 15 years' experience and expertise at a high level for administering or managing an operational or policy-making unit, and

"PROFESSIONAL" means a persons of distinction with nationally or internationally recognised professional qualifications and practical experience at a high level in a specialised area of knowledge who has been practising in his specialization by adopting it as his principal calling, vocation or employment".

(I) Of the members referred to in sub-paragraphs (I) and (IV) of paragraph (A), six shall retire after the expiration of the first two years, six shall retire after the expiration of the next two years and seven shall retire after the expiration of the next two years.

(II) Of the members referred to in sub-paragraph (II), two shall retire after the expiration of the first two years and three shall retire after the expiration of every two years thereafter, and

(III) Of the members referred to in sub-paragraph (III), one shall retire after the expiration of every two year. Provided that the term of office of a person elected or chosen to fill a casual vacancy shall be the unexpired term of the member whose vacancy he has filled".

The President's Order contained certain other amendments in the relevant laws.

The amendments are as follows:

In the Houses of Parliament and Provincial Assemblies (elections) Order, the following new clause shall be inserted, namely:- "(3A) where a non-Muslim seat reserved in the National Assembly for any minority remains unfilled, such seat shall be filled by a non-Muslim woman to be elected on the basis of proportional representation by means of a single transferable vote by the electoral college consisting of the non-Muslim members of the Assembly".

Amendment of Article 5, P(P.P) O No.5 of 1977.- In the said Order, in Article 5- (1) in clause (1)- (A) in paragraph (A):- (I) for the word "sixty-three" the word "eighty-seven" shall be substituted. (II) in Sub-paragraph (II), for the word "five" the word "eight" shall be substituted and the word "and" at the end shall be omitted. (III) in sub-paragraph (III), for the word "two" the word "three" shall be substituted and after the semicolon at the end the word "and" shall be

added, and (IV) after sub-paragraph (III) amended as aforesaid, the following new sub-paragraph shall be added, namely:-

"(IV) five shall be elected by the members of each Provincial Assembly to represent Ulema, technocrats and other professionals." (B) for paragraph (C) the following shall be substituted, namely:-

"(C) the term of office of the members of the Senate, who shall retire as follows, shall be six years:-

(2) After clause (1), amended as aforesaid, the following new clause shall be inserted, namely:- "1(1A) a casual vacancy in the office of a member referred to in sub-paragraph (A) of clause (1) shall be filled for the remainder of the term of such member by the members of the Provincial Assembly by whom such member had been elected electing an other person under the said sub-paragraph". (3) For clauses (2) and (3) the following shall be substituted, namely:-

"(2) The members elected or chosen as members of the Senate shall be divided into three groups by drawing lots, the first group consisting of six members from each province, two members from the Federally Administered Tribal

Areas and one member from the Federal Capital, the second group consisting of six members from each province, three members from the Federally Administered Tribal Areas and one member from the Federal Capital and the third group consisting of seven members from each province, three members from the Federally Administered Tribal Areas and one member from the Federal Capital", and (4) in clause (4) for the word "four" the word "six" shall be substituted.

Amendment of Article 6, P.(P.P) O.No 5 of 1977:- in the said Order, in Article 6, after clause (3), the following new clause shall be inserted, namely:-

"(3A) where a non-Muslim seat reserved in a Provincial Assembly for any minority remains unfilled, such seat shall be filled by a non-Muslim woman to be elected on the basis of proportional representation by means of a single transferable vote by the electoral college consisting of the non-Muslim members of that assembly".

Amendment of Article 12A P.(P.P) O.No. 5 of 1977:- in the said Order, in Article 12A, for the words "fifteen days" the words "four months" shall be substituted.

PAKISTAN

AMENDMENTS IN CONSTITUTION SAID 'GENUINELY' FEARED

Karachi BUSINESS RECORDER in English 7 Mar 85 p 2

[Editorial]

[Text]

While analysing the amendments in the 1973 Constitution by President Zia-ul-Haq one has to dispassionately keep in view the following main points: (a) the difficulties that are faced by the head of a military government when he attempts to transfer power to a civilian authority as the President has himself pointed out in his interview to the **Christian Science Monitor** of USA, (b) the psychological make-up of President Zia-ul-Haq, his faith and total commitment to Islamic precepts and a firm belief in Sunnah and Muslim traditions, and (c) the political psychology of a vast majority of the people of Pakistan and their traditional preference for the electoral system of representation and parliamentary democracy to which they had been exposed and have lived through for more than a century.

Now Gen. Zia-ul-Haq's take-over in 1977 was

acceptable to people of almost all political thought and belief and to all parties except the one that was ousted from power. Why elections could not be held earlier is a debatable question particularly when the political parties got divided in their stand after the arrest and conviction of Bhutto. That was one impediment. In the transfer of power the second difficulty was, it seems, the faith of President Zia-ul-Haq. Along with everyone of us he believes that Pakistan is an Ideological State based on the principles of Islam, and according to his belief of which he has never made a secret, in Islam there is no place for political parties or a recognised opposition group of people against those who are entrusted the responsibility to manage the affairs of the state. Then, again he firmly believes and has openly declared that in Islamic system the head of state and the head of gov-

ernment have got to be the same person and once he is put in power he has to be obeyed and his directives have got to be followed. The other chosen few from amongst the people can offer him advice on matters where their advice is sought by the head of state or even on their own if they feel that something should be brought to his notice or should be done in the interest of the country and the people.

Next, General Zia-ul-Haq was faced with the problem of reconciling his faith and belief with the century old political traditions and practices to which the people of Pakistan are used to the extent of addiction and which they do not find repugnant to Islamic principles and believe them to be in consonance with the development of society. So,

what has he done? He has kept the system of election on the basis of adult franchise with, ofcourse, separate electorate for minorities. He has kept intact the two Houses of parliament and has named it Majlis-e-Shura. He has allowed the existence of a cabinet of ministers to be formed from among the members of parliament or Majlis-e-Shura, as he would like it to be called, and one of them shall be known as the Prime Minister. Almost similar will be the establishments in the provinces and one of the Ministers there shall be designated as the Chief Minister. Thus far he has catered to the popular political addiction to the methods of governance that have been followed in the country in a manner good, indifferent or bad.

Then, he embarks on what he believes to be his religious duty, that is, to lay down the foundation of Islamic system of governance and management of the affairs of the state. In keeping with his belief he has amended articles 90, 91, 92, 93, 94, 95 and 96 of the 1973 Constitution and substituted them with new ones which constitutionally combine the offices of the head of state and head of government in the same person. The new article 90 says "The executive authority of the federation shall vest in the President and shall be exercised by him either directly or through officers subordinate to him..." Whereas in the 1973 Constitution the words are: "The executive authority of the federation shall be exercised in the name of the President by the Federal Government consisting of the Prime Minister and the Federal Ministers.....In the performance of his functions under the constitution the prime Minister may act either directly or through Federal Ministers". However Clause 91 of the 1985 Presidential Order states: "There shall be a cabinet of ministers with the Prime Minister as its head to aid and advise the President in exercise of his functions..... The President shall in his discretion appoint from amongst the members of National Assembly a Prime Minister who in his opinion is most likely to command the confidence of the majority of the members of National Assembly". Again the Prime Minister shall hold office during "the pleasure of the President". However, the President will exercise this power only when he is satisfied that the Prime Minister no longer enjoys the confidence of the

majority of the National Assembly. Here, again, the President will not ask him to seek a vote of confidence from the House but may simply ask him to go. Then there are the all embracing discretionary powers of the President given in article 48 of the 1985 Presidential Order of which Clause 3 needs reproduction: "If any question arises whether any matter is or not a matter in respect of which the President is by the Constitution empowered to act in his discretion, the decision of the President in his discretion shall be final, and the validity of any thing done by the President shall not be called in question on the ground that he ought or ought not to have acted in his discretion".

There is a further provision authorising the President that he may, if deems fit, call for a referendum on any matter. All this is quite in keeping with President Zia-ul-Haq's belief that the head of state and the head of government should be the same and it is for this reason that in article 46 the duties of the Prime Minister in relation to the President have been laid down which are substantially different from those given in the 1973 Constitution or generally followed

in the parliamentary system of democracy.

These clauses will bear reproduction here:

(a) to communicate to the President all decisions of the Cabinet relating to the administration of the affairs of the Federation and proposals for legislation;

(b) to furnish such information relating to the administration of the affairs of the Federation and proposals for legislation as the President may call for; and

(c) if the President so requires, to submit for the consideration of the Cabinet any matter on which a decision has been taken by the Prime Minister or a Minister but which has not been considered by the Cabinet."

Then, a Cabinet Minister can also directly advise the President.

Now the system of government that is being ushered in, call it what one may--Presidential, Parliamentary or Shurai--is a new adaptation and its popularity, efficacy or acceptability to the people of Pakistan will be only evident once it gets into full swing.

We for one would never question the religious zeal and the Islamic spirit of President Zia-ul-Haq. Well meaning and sincere his amendments to the constitution may be, the fears of the people are also but natural. One learns from past experience.

We have had more than a couple of constitutions and they were all scrapped. The 1973 Constitution was found inadequate to deal with the political upheavals

of 1977. Let us not doubt the sincerity of President Zia-ul-Haq in amending the Constitution and also that he would administer the country in accordance with the amended constitution in the true Islamic spirit of Adil and Ehsan. But he is not there for all time. He is mortal like all other human beings. That is where all the fears come in. The question arises: Whether the provisions of this amended constitution would stop a Ghulam Mohammad or an Iskandar Mirza or an Ayub Khan coming into power constitutionally and validly, and claiming to be ruling the country under Islamic principles, from leading the system to degenerate into dictatorship or monarchy?

CSO: 4600/334



4 April 1985

PAKISTAN

SITUATION OF AFGHAN REFUGEES DISCUSSED WITH COMMISSIONER

Rawalpindi HURMAT in Urdu 7-15 Jan 85 pp 21-23

[Interview with Brig Said Azhar, chief commissioner for Afghan refugees; time and place not specified]

[Excerpts] [Question] Recently the Afghan refugees were moved away from the local population in Peshawar. In the same way, offices of Afghan political parties were ordered to be moved out of the city. Was this done at the advice of a department of the United Nations? What was the purpose of these changes?

[Answer] First of all let me make it clear that the refugees have greater freedom of movement in Pakistan than they have in any other country. They have freedom of movement within their rights. We did nothing at the advice of any external authority. It is our duty to give the refugees everything they need. We made some changes because they were necessary. We have not interfered with the Afghan families living in the cities, but we do not think single men should live in the cities. It was unsuitable for them to live in the densely populated areas. The offices of the Afghan political parties have been removed from the city because all sorts of people kept visiting these offices and could cause problems for people living in the vicinity.

[Question] It is said that Afghan refugees get Pakistani identity cards and then get Pakistani passports to travel abroad. Now it is reported that you have arranged special passports for them. Is this true?

[Answer] There is nothing new in that. They are given special permits under international law. These permits are given by the UN High Commissioner for Refugees. Some people may have left on Pakistani passports, but it was illegal for them to do so. How can we endorse something illegal? We have heard complaints about these people getting Pakistani identity cards and buying real estate, which of course they are not supposed to do.

[Question] You have said that Afghan refugees get more freedom in Pakistan than in other countries. Are these people not using this freedom for subversive activities in our country? Have you taken steps to prevent them from anti-Pakistan activities and to protect important military bases from them?

[Answer] As I said before, the refugees have freedom of movement just as do our own citizens. The miscreants will do their work whether the refugees are free or not. The prevention of subversive activity is not a responsibility of my department and those whose duty it is know their job well. You must often have heard about the arrest of such activists. Thank God they have not yet succeeded in their nefarious designs.

[Question] Recently, it was announced by the Frontier Province commission for refugees at a press conference that the number of employees in the department has been reduced. Does this mean that the number of Afghan refugees has decreased?

[Answer] As far as the influx of Afghan refugees is concerned, between 6,000 and 8,000 are entering Pakistan every month. Recently, a census was taken, and all bogus registrations were canceled. The fact of the matter is that our expenses are high and we have to meet them with our limited means. Our daily expenditure on the refugees comes to 15 million rupees, half of which is met from foreign aid with the rest paid by Pakistan. Our expenses are increasing with the influx of Afghan refugees, so we have had to reconsider our priorities. Moreover, we have cut the number of refugee camps from 350 to 300. This does not mean that the refugees in those 50 camps have been made homeless; it means that we have settled them in the other 300 camps. Every camp means a monthly expenditure of 250,000 to 300,000 rupees. This means that by cutting down the number of camps by 50, we have saved nearly 10 million rupees a month. Naturally, the employees working in those camps were no longer needed. As for the refugee commission, its monthly expenses, including the monthly allowances of the staff, come to 100 million [rupees] annually. The UN High Commission for Refugees contributes \$7.5 million annually. We have to keep our expenditures within this sum.

[Question] It has been reported that no more refugees will be settled in the Frontier Province in the future. Where will the new refugees be settled? Will they be settled in Punjab?

[Answer] When the census of the refugees was taken in the Frontier Province it was discovered that between 400,000 and 500,000 had been unregistered. They have been registered and settled in 8 or 10 new camps in the Frontier Province. New refugees will be sent to camps in Punjab. They number 97,000 just now, but we have arrangements for settling 200,000 refugees there.

[Question] How are the refugees faring in Punjab? It is said that some of them did not want to go there. Has there been a social or cultural clash there?

[Answer] All of the refugee camps in Punjab are located in the Isakhel region of Mianwali district. This region has strong cultural and social affinity with Dera Ismail Khan in the Frontier Province. No problem has risen there. During the summer, some refugees went to the upper region of the Frontier Province because of the heat. But on their return they built clay houses inside their camps. This will protect them from the heat, and they will be able to stay here throughout the year.

PAKISTAN

JAPANESE LOANS TO FOCUS ON SIXTH PLAN PRIORITIES

Karachi BUSINESS RECORDER in English 7 Mar 85 p 1

[Text]

ISLAMABAD, March 6: Japan in its loan programmes, will try to focus on the priorities of Pakistan in various sectors as specified in the Sixth Five-Year Plan.

This was stated by leader of Annual Bilateral Economic Consultation Mission from Japan Kowata at a high level meeting with Federal Finance Minister Ghulam Ishaq Khan here today.

The meeting discussed at length the programme for Japanese loans, grants and technical cooperation projects for 1985-86.

Kowata, who is also Deputy Director-General of Economic Cooperation Bureau in the Japanese Foreign Ministry, is currently visiting Pakistan at the head of a nine-member delegation to have consultations with the authorities concerned on policies of economic cooperation with Pakistan and on the programming of Japanese loans during 1985-86.

Welcoming the economic mission, Federal Finance Minister Ghulam Ishaq Khan expressed deep gratitude to Japan for the help and assistance provided so far to Pakistan, and appreciated that there was a great deal of understanding and cordiality between the two countries on bilateral assistance as well as technical cooperation programme.

Expressing satisfaction, Ishaq said that cooperation between the private sectors of the two countries was also increasing at various levels.

Replying to the Finance Minister's observations, Kowata also expressed satisfaction at the increasing level of economic cooperation, and said that in its loan programme, Japan would try to conform to the priorities of Pakistan in various sectors as specified in the Sixth Five-Year Plan.

During the meeting, as wide range of subjects relating to economic cooperation and technical assistance was discussed. In this connection, the need for more surveys for development of projects was also stressed. The pace of work at the Islamabad Hospital Complex was also reviewed. The Complex is being constructed with Japanese assistance.

The total loan pledged to Pakistan made by Japan upto 1984 aggregates to yen 321.277 billion (approximately 1.3 billion dollars). In addition, grant assistance, extended technical assistance for undertaking surveys, feasibility studies for despatch of experts, supply of equipment, cultural grants and for training personnel in Japan.

The talks were also attended by Secretary-General, Economic Affairs Division, Secretary, Finance and Principal Economic Adviser.

4 April 1985

## PAKISTAN

## YUGOSLAVIA LIKELY TO BUY RAW COTTON

Karachi BUSINESS RECORDER in English 7 Mar 85 p 1

## [Text]

Yugoslavia is expected to purchase about 4,000 tons of raw cotton from Pakistan.

Ivan Koprivica, Yugoslav trade Commissioner in Pakistan, during his visit to the Federation of Pakistan Chambers of Commerce and Industry told the FPCCI President in Karachi on Wednesday that his country had asked for quotations and samples for the purchase of raw cotton from Pakistan and that quotations had been received.

Rice was another item but since rice production was fairly large this year, it might not be purchased, he said and added that other items in which Yugoslavia was interested, included cattle feed, yarn and fabrics, urea, leather (semi-finished), spices, and black plates from Pakistan steel.

Koprivica said in order to narrow down imbalance in Pakistan-Yugoslav trade, his country was willing to buy more items and in larger quantum from Pakistan provided Pakistani exporters also supplemented this desire by exploring potential for Pakistani goods in Yugoslavia.

He advised Pakistani exporters to establish offices in Yugoslavia to identify potential for export.

He expressed satisfaction at joint ventures being concluded between the two countries. He informed the meeting that a number of joint ventures were either being completed or were in advanced stages of negotiation including a tractor plant in Lahore which has already gone into production, low voltage equipment in Hub industrial area, electrical parts for automobiles, spare parts for automobiles in collaboration with PACO, pharmaceutical especially anti-biotics, and semi-trailers for trucks.

He said Yugoslavia was also interested in Pakistan Steel downstream projects, Saindak Copper Project, irrigation projects such as LBOD in Sind, construction of highways, and development of Lakhra coal deposits.

Koprivica suggested that the FPCCI should sponsor a trade delegation to visit Yugoslavia and also participate in Zagreb international fair.

The meeting was also attended among others by FPCCI Vice-President Dost Mohammad Jamalbhai, and Bilal Yousuf Zia, Chairman, Pakistan-Yugoslavia trade and industry committee of FPCCI.

CSO: 4600/334

PAKISTAN

MINISTER SAYS COUNTRY MAY BECOME MAJOR FOOD EXPORTER

Karachi BUSINESS RECORDER in English 6 Mar 85 p 1

[Text]

ISLAMABAD, March 5: Pakistan is likely to emerge a major exporter of food, particularly cereals, fruit and vegetables as a result of policy initiatives that the present Government has taken during the Fifth and Sixth Five-Year Plans.

This was stated by the Federal Minister for Planning and Development, Dr. Mahbubul Haq, in his meeting with Assistant Director-General of the Food and Agriculture Organisation S.S. Puri here this morning.

The Minister urged FAO to review the agricultural protectionism of developed countries which, he said, is inhibiting agricul-

tural exports of developing nations. He said that if a developing nation has the right resource endowments and hard working farmers, there is no reason that it should face difficulties in marketing its produce abroad.

The Minister proposed that the next global round of trade negotiations, likely to be held in Tokyo, must also include agricultural products and not just manufactured goods as was the practice in the past.

The Minister suggested that FAO should produce an annual report on a rational pattern of world production and trade in food items so that the past pattern can be restructured and developing countries like Pakistan can benefit.—

APP

CSO: 4600/333

PAKISTAN

COAL FIND IN SIND TERMED 'LUCRATIVE'

Karachi BUSINESS RECORDER in English 6 Mar 85 p 3

[Text]

ISLAMABAD, March 5: A two-metre thick seam of good quality lignitic coal of Paleocene Age has been discovered at a depth of about 240 metres in Metin-Jhimpir area, 50 kilometres north-east of Thatta, by the Geological Survey of Pakistan.

This was disclosed by the Federal Minister incharge for Petroleum and Natural Resources, Dr. Muhammad Asad Khan.

The Minister estimated that there will be 57 million tons of coal in this coal structure. Of these reserves, 6 million tonnes are proved, 19 million tons indicated and 32 million tonnes inferred.

Earlier, the Jhimpir coal field had been exploited for many years by private mine-owners. The thickness of the coal seam of Paleocene Age was generally found to be less than half-a-metre and the depth ranged from 30 metres to 50 metres. The mines were, however, depleted and new operations were to be permanently abandoned for want of additional coal reserves.

With the present discovery of the new coal seam the mining activities in Metin-Jhimpir area will assume a

new operational life and accelerated pace of socio-economic development.

The Geological Survey of Pakistan started drilling for the first time in May 1981 for the exploration of coal at Sonda, 30 kilometres north-east of Thatta, along the river Indus, near Daduri Ridge. By December 1983, 17 exploratory holes with a cumulative depth of about 3,500 metres, were drilled in an area of about 75 square kilometres with a cut of a thickness of about 0.75 metres.

The Geological Survey's future exploration programme envisages identification and delineation of new coal horizons in Sonda-Thatta-Meting basin where the commercial coal seam may extend to wider areas towards the West below Meting-Jhimpir, the site of the new discovery.

Systematic geological investigations quoted by exploratory drilling and core analysis have been intensified in Thatta-Sonda-Meting fields for scientific assessment of the new coal which has a potential of about 500 million tons valued at over Rs. 100 billion.

CSO: 4600/333

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